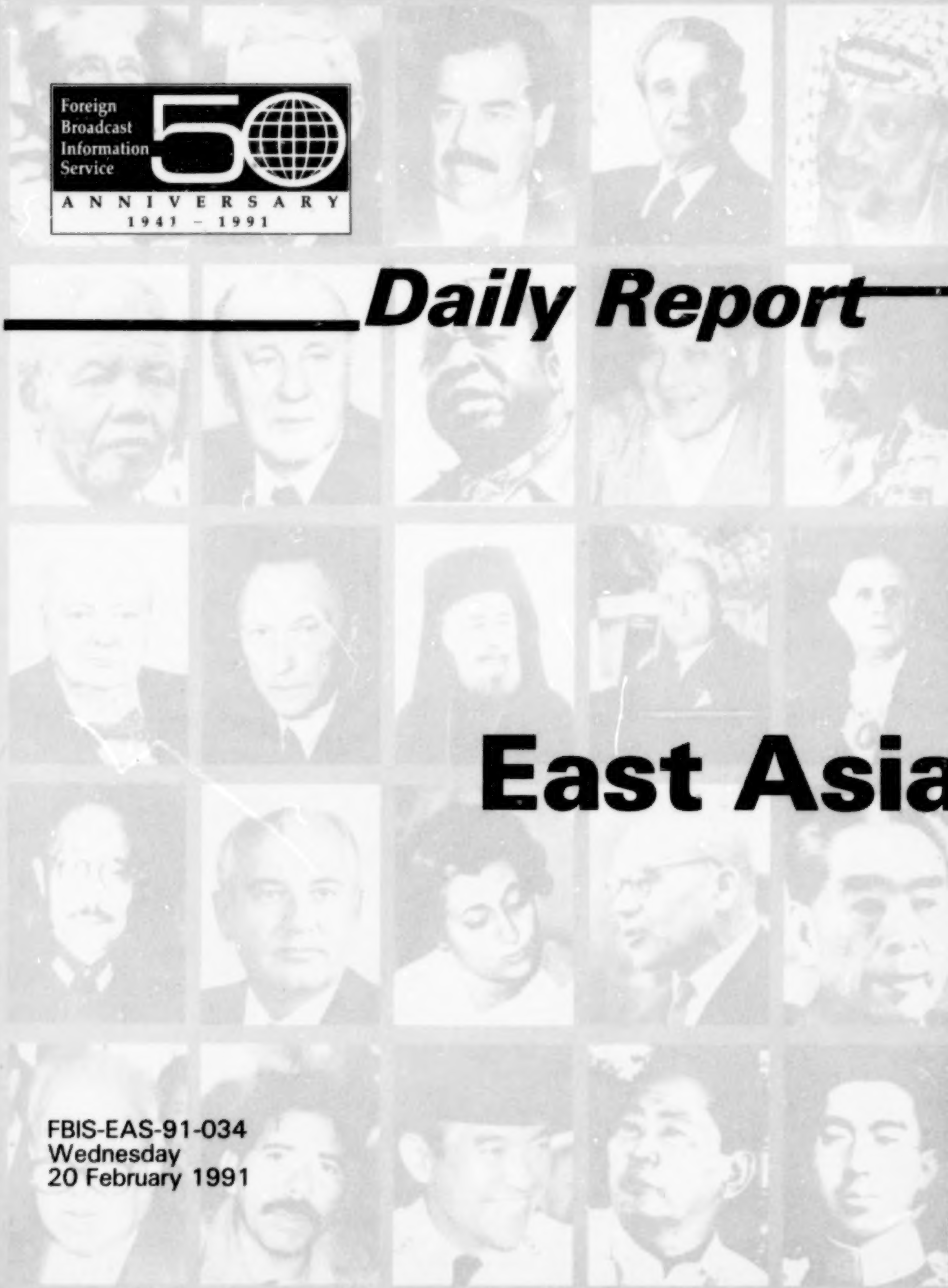

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Japan

Government To Extend $500 Million Loan to Syria

OW2002114091 Tokyo KYODO in English 1045 GMT 20 Feb 91

[Text] Tokyo, Feb. 20 KYODO—Japan is planning to extend a 500 million dollar loan package to Syria, which has been hit hard by the Persian Gulf war, Foreign Ministry sources said Wednesday. The package, a mix of commodity and project loans, will be the first to Syria since 1986, when the country's ties with the West worsened because it supported Tehran in the Iran-Iraq war.

The assistance will be for projects, including the construction of a natural gas-burning thermal power plant near Damascus, ministry sources said.

Japan has decided to extend aid amounting to 2 billion dollars to countries affected by the Gulf war such as Syria, which is backing the U.S.-led allied forces.

The topic of the loans to Syria was raised when Foreign Minister Taro Nakayama visited the country in October. Japanese officials made a follow-up study trip in December, the sources said.

Financial Firms To Provide Loans to Turkey

OW1902055491 Tokyo KYODO in English 0536 GMT 19 Feb 91

[Text] Tokyo, Feb. 19 KYODO—A group of 18 Japanese financial firms has agreed to provide a total of 54 billion yen in loans to Turkey, whose economy has been hit hard by the Persian Gulf war, financial industry sources said Tuesday. The yen-denominated loans will be extended in March, they said.

The sources said the move is not directly related to the government-led financial assistance to the so-called frontline states affected by the war, but was decided in reply to a Turkish request for cooperation in the country's industrial promotion. The Japanese firms offering the loans are major commercial banks, life and nonlife insurance companies, long-term credit banks, and regional banks.

Major commercial banks, for instance, are providing loans ranging from 2 billion yen to 15 billion yen each, with a 10-year term, the sources said. Interest on the loans will be the same as the long- term prime rate of 7.8 percent, which Japanese banks charge on their most credit worthy customers.

Japanese private financial institutions made loans to Turkey last year as well, the sources said.

Spokesman Concerned Over Postwar Aid to Iraq

OW2002075391 Tokyo KYODO in English 0346 GMT 20 Feb 91

[Text] Tokyo, Feb. 20 KYODO—Top government spokesman Misoji Sakamoto expressed reservations Wednesday about helping Iraq reconstruct after the war if Iraqi President Saddam Husayn remains in power.

Asked by reporters if Japan would go ahead with its plan to offer Iraq economic assistance even if Husayn stays in charge after the war, Chief Cabinet Secretary Sakamoto said that Japan would "decide on its policy after the results (of the war) are clear."

Last week, Prime Minister Toshiki Kaifu told the House of Representatives Budget Committee that Japan is prepared to help Iraq after the war. He did not attach conditions to the aid. "Japan must actively help not only the economies that suffered... but also Iraq," he said. Kaifu said Japan also plans, after the war, to participate in international discussions on a wider Middle East peace, help clean up oil spills, and push for a regional arms control pact.

DSP Resolution Supports Multinational Forces

OW2002095491 Tokyo KYODO in English 0920 GMT 20 Feb 91

[Text] Tokyo, Feb. 20 KYODO—The Democratic Socialist Party (DSP) ended its annual party convention on Wednesday with a resolution calling on the government to discharge its international responsibilities and support the U.S.-led multinational forces fighting against Iraq.

The resolution was adopted at the end of a two-party convention where about 630 party representatives also passed this year's action program. The resolution also urged Iraq to pull its forces out of Kuwait immediately and unconditionally.

The DSP, a middle-of-the-road opposition party, has supported the government's pledges to extend an additional 9 billion dollars in support to the U.S.-led campaign and to dispatch military transport planes to evacuate Gulf war refugees. The party also passed an action program calling for the reorganization of political forces with the emphasis on the improvement of the standard of living. The party declaration also called for the promotion of the welfare system and lowering land prices.

DSP Chairman Keigo Ouchi told reporters at the convention that the party leadership does not intend to drop democratic socialism as the party ideal even though the party is considering dropping the slogan from the party platform. The revision of the party's program is expected to be finalized after one year of discussions among rank-and-file party members beginning next month.

Planes To Transport U.S. Personnel During Drill

OW1902135191 Tokyo KYODO in English 1304 GMT 19 Feb 91

[Text] Tokyo, Feb. 19 KYODO—Japanese aircraft will transport U.S. Military personnel and materiel during a joint air drill scheduled to begin February 25 in western Japan, officials said Tuesday.

A fleet of 15 C-1 transport planes, which will join the drill together with some 50 fighters, will airlift U.S. personnel and supplies, said officials of the Air Self-Defense Force (ASDF).

The U.S. Air Force and Marine Corps will send some 20 F-16 and FA-18 fighters from bases in Okinawa, Misawa Aomori Prefecture, and Iwakuni of Yamaguchi Prefecture to join the air exercise, scheduled to last until March 8, the officials said.

Japan has previously not provided airlift services for U.S. forces, saying it might run counter to the Constitution which, it says, is interpreted as banning the country from joining a collective security system.

The C-1 transport planes will carry U.S. military personnel from Kadena to an ASDF base in Fukuoka Prefecture and from Misawa to Miyazaki Prefecture.

The United States may have asked Japan to airlift U.S. personnel and materiel because of the large numbers of U.S. transport planes participating in the Persian Gulf war, military sources said.

Talks To Resume With U.S. on New Air Routes

OW1902102991 Tokyo KYODO in English 0817 GMT 19 Feb 91

[Text] Tokyo, Feb. 19 KYODO—Japan and the United States will resume talks from Thursday in Tokyo on new air routes between the two countries, officials at the Transport Ministry said Tuesday.

Progress in the talks has been delayed by disagreements over departure and arrival times of U.S. flights at new Tokyo International Airport in Narita.

The two governments agreed in November 1989 that each country would open 14 new air routes to the other, and airlines were expected to start operations on the new routes from October last year. But the U.S. side expressed dissatisfaction with allocated times for operations and has demanded changes. Of the new routes, five have been tentatively opened for an agreed period until March 3.

Aviation authorities are expected to discuss at the meeting rearrangement of the schedules for all planned routes, including the five so far opened, according to the officials. They said Japan can meet the U.S. demand for reallocation of times only during March, by allowing U.S. airlines to take up slots left vacant by other airlines which have reduced services since the eruption of the Persian Gulf war. But from April, it will be difficult for the Japanese side to meet all the demands from the U.S., with Narita Airport already operating at the limits of its capacity, the officials said.

Companies Help Fund British Research Facilities

OW1902104391 Tokyo KYODO in English 0702 GMT 18 Feb 91

[By Geoffrey Murray]

[Text] London, Feb. 18 KYODO—Japanese companies are following up a decade of rapid expansion in manufacturing investment in Britain by moving steadily into research and development, some of it involving pure science rather than product improvement.

In the process, they are disarming past criticisms of the Japanese investment in Britain that it involves mere parts assembly--"screwdriver operations"—which will debilitate Britain's efforts to remain on the cutting edge of high technology.

Only two years ago, a top union official warned, "If Japanese investment doesn't include comprehensive industrial structure—research and engineering, development, design, and total product support—we could end up as a country which is not initiating any new products. That would virtually reduce us to third world status." But it is becoming clear that this fear is not justified any more, if it ever was.

Canon Inc., for example, was one of the first companies to establish a British research laboratory when it opened a small facility on a Surrey University science park. The initial investment was 1 million pounds. Within a year, the laboratory had doubled in size. Late last year, it was joined on the science park by Kobe Steel Ltd., which recruited a team of about a dozen scientists, mostly chemists, to work on polymers, with the emphasis on plastics and composites to create new materials for the motor industry. Kobe Steel previously had worked on several research projects with different British universities and many of these programs were transferred to the new facility.

Another straw in the wind comes from Sharp Corp., which opened a 10 million pound laboratory in Oxford headed by a former senior British Government bureaucrat. Sharp has two research centers in the United States, but the Oxford facility will be the first outside Japan to concentrate on basic research as opposed to research on manufacturing or products. The center, which will eventually employ 100 people, will conduct research on optoelectronics, which combines the technologies of optics, electronics, and artificial intelligence.

Another company that has opened up in the Oxford area is Yamanouchi Pharmaceutical Co. taking over a refurbished psychiatric hospital ward on the outskirts of town, the company assembled a team of about 20 researchers to study the biology of cells, the basic units of living organisms.

Fujitsu Ltd. has a rapidly developing research-and-development program in Britain to design new products for the european market. This will be locked into the company's planned "global research-and-development structure," enabling Britain to benefit rapidly from developments in other major technological centers such as the U.S. and Japan. Fujitsu is somewhat unusual in developing new products in Britain. Most other Japanese research-and-development investments are more in areas of pure science, identifying the basic technologies that will be needed to create the future generations of advanced products.

British universities are benefiting greatly from this approach. For example, Eisai Co., a major pharmaceutical company, is committing over 50 million pounds to a 15-year research program at University College, London, beginning in 1992. The research area is the neurosciences, in particular disorders of the central nervous system.

Hitachi Ltd. and Toshiba Corp. have contributed funds for the construction of a research facility at the prestigious Cavendish Laboratory at Cambridge University. Hitachi and Cavendish in particular will collaborate on research into microelectronics, involving opportunities for British scientists to work and study in Japan as well.

Last year, the government-backed Research Development Corporation of Japan signed a 10 million pound agreement with Cambridge and Imperial College, London, to work on the design of new metallic and semiconductor materials. Not all the investment is new, however.

Sony Corp., which has been manufacturing television sets in south Wales for some years in a plant seen by some critics as a pure "screwdriver" operation, has a separate company at Basingstoke, Hampshire, for research-and-development purposes. Sony Broadcasting and Communications was set up in 1978 as a center to develop and sell products to the broadcasting industry largely by hiring engineers from the British broadcasting establishment.

The recruitment of such "insiders" has helped Sony achieve a dominant share in supplying equipment to Europe's broadcasters. It is now an important center for broadcasting research and development, and the work of its British engineers in the early 1980s led the development of digital video tape recorder, which has since been adopted as the world standard.

In these and other ways, there is clear evidence of Anglo-Japanese collaboration in 21st century technology, which should help dispel fears that Britain is becoming a "low-tech" assembly backwater for Japanese manufacturers.

Hungarian Official Urges More Japanese Investment

OW1902125491 Tokyo KYODO in English 1025 GMT 19 Feb 91

[Text] Tokyo, Feb. 19 KYODO—Hungary's Secretary of State Etele Barath, [title as received] saying the Persian Gulf war has served a bitter blow to the Hungarian economy, urged Japan on Tuesday to invest more in the central European country, whose longer term economic future he sees as bright.

Barath, in an interview with KYODO NEWS SERVICE, said Hungary was hit by a major drought in 1990, the second worst in the 20th century, and that it is unable to purchase Soviet oil at discount prices any more in the wake of ongoing economic reforms in the Soviet Union.

Barath, who is currently in Japan to promote a 1995 World Exposition in Budapest and Vienna, nevertheless expressed optimism in Hungary's economic future, saying his country enjoyed a trade surplus of about 1 billion dollars in 1990, an increase of 700-800 million dollars from the previous year. He said Hungary's economy is expected to take off in 1993, after completing the transition to a market-oriented economy from a planned one.

Barath said he personally hopes Hungary can join the Common Market in 1998 and that Hungary is expected to obtain an associate membership in 1992 when the EC achieves market integration.

On economic relations with Japan, the Hungarian minister called for more direct investment in the electronics, telecommunications and chemical sectors. He also urged Japanese banks and securities firms to establish more joint ventures with their Hungarian counterparts. This, he said, would boost the possibility that Hungary will become a financial center in central Europe.

Hiraiwa on BOJ's Money Policy, Gorbachev Visit

OW1802092791 Tokyo KYODO in English 0906 GMT 18 Feb 91

[Text] Tokyo, Feb. 18 KYODO—The head of a top Japanese business association said Monday there is no need for the Bank of Japan [BOJ] to ease its monetary stance and that it should maintain its current tight monetary policy through the spring.

"The Persian Gulf war is causing the economy to slow a bit," said Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren). "But since prices could be on their way up, the Bank of Japan's tight money policy, which focuses on inflation, is the right policy," he said at a press conference.

Hiraiwa also expressed doubt over the prospect of progress in talks between Japan and the Soviet Union over the Northern Territories and economic cooperation during Soviet Mikhail Gorbachev's planned visit to Tokyo in April, Hiraiwa, who is also chairman of Tokyo

Electric Power Co., said. "Since there has been a tremendous change in Gorbachev's political position, I don't see the talks proceeding smoothly," he said.

"I truly hope diplomatic efforts to end the Gulf war will work out," he said, adding that if post-war reconstruction is needed, the economic community will submit a blueprint for one. He also said that it wants to address environmental problems, including the oil slick in Persian Gulf.

Crude Oil Futures Hit 7-Month Low in Tokyo

OW1802030591 Tokyo KYODO in English 0212 GMT 18 Feb 91

[Text] Tokyo, Feb. 18 KYODO—Crude oil futures prices tumbled to a seven-month low in Tokyo early Monday morning in transactions between trading companies on strong expectations of an early end to the Persian Gulf war, traders said.

The benchmark march contract on Dubai crude plunged, with the indicated price sliding 1.50 dollars per barrel from last Friday to 13.10 dollars at the opening, falling below 14 dollars for the first time since July last year.

An official at Nissho Iwai Corp. said, "the market is now taking into account the possibility that the Gulf war will end soon with a victory for the allied forces."

U.S. President George Bush said Sunday the U.S.-led Allied forces will drive Iraqi troops out of occupied Kuwait "very soon."

Companies To Reactivate Thermal Power Plants

OW1802132891 Tokyo KYODO in English 1253 GMT 18 Feb 91

[Text] Tokyo, Feb. 18 KYODO—Japan's electric power companies intend to reactivate their idle thermal power stations and to speed up the completion of new ones under construction to deal with the expected electricity shortage in the wake of the February 9 radioactivity leak at the Mihama Nuclear Power Plant in Fukui Prefecture, industry sources said Monday.

The radioactivity leakage from a pressurized water-type reactor at Kansai Electric Power Co.'s Mihama Nuclear Power Plant prompted the nation's electric power firms to move up regular checkup schedules for pressurized water reactors to summer.

The firms will primarily reactivate power stations each with a generating capacity of 300,000 kilowatts or so, which burn crude and fuel oil. They plan to begin operating them before summer when demand for electricity soars.

In the mid-1980s, the increased use of nuclear power plants and low demand forced companies to idle the plant, which many considered obsolete and inefficient. Many firms then thought these power stations were destined for the junkyard.

The International Energy Agency (IEA) has banned developed nations' new plans to construct thermal power plants. Tokyo Electric Power Co., for example, will reactivate the no. 1 and no. 2 idle thermal plants in Chiba Prefecture, which have a combined generating capacity of 250,000 kilowatts, the sources said.

Industrial Production Increases in 1990

OW1802095091 Tokyo KYODO in English 0856 GMT 18 Feb 91

[Text] Tokyo, Feb. 18 KYODO—Japan's industrial production in 1990 rose a healthy 4.6 percent from the previous year, and the upward momentum will continue through the first half of the current year, the Ministry of International Trade and Industry (MITI) said in a report released Monday.

The yearly upswing in 1990 was smaller than the 6.1 percent rise in 1989, but that was due to statistical irregularities, a MITI official said. The statistics compare the average level of the production index in a year with that in the previous year, so the shape of the curve—whether it was downward or upward and its steepness—in the previous year affects the margin of the yearly gains, the official said. Output at the nation's mines and factories is on a firm upward trend, and will remain so for at least the next three to six months, he said.

The average level of the industrial production index stood at 125.4 in 1990, against 100 for the base year of 1985, up from 119.9 in 1989, the ministry said.

By sector, precision and transportation machinery, and oil and coal products posted especially sharp increases, while steel production and textile manufacturing performed poorly. Precision instrument production spurted 12.5 percent, and transport machinery production, led by strong demand for cars, posted an 8.2 percent gain. The production of oil and coal products soared 8.9 percent from the previous year. The increase of steel production was only 1.9 percent, while textile production fell 3.1 percent, the report said.

Shipments in 1990 were also quite brisk, with the largest contributors to the increase being computer chips, computers, and autos, the report said. Domestic shipments of consumer goods expanded 5.2 percent, mainly propelled by robust demand for autos, air conditioners, and beer.

Individual consumption, despite softening of the demand for mini cars, will remain acute due to rising income, the official said.

Domestic shipments of capital goods surged 6.3 percent, and that of construction materials climbed 3.4 percent. Shipments for export rose 6.5 percent. Exports will move in a slight upward trend, with those to the European Community and Southeast Asia growing steadily while shipments to the U.S. slow down, the official said.

SDP's Yamahana Not To Run in Tokyo Election

OW2002090891 Tokyo KYODO in English 0826 GMT 20 Feb 91

[Text] Tokyo, Feb. 20 KYODO—The Social Democratic Party (SDP) on Wednesday decided not to run its Deputy Secretary General Sadao Yamahana as its candidate in the Tokyo gubernatorial election in April, leaving the No. 1 opposition party without a candidate to field in the election, party officials said.

The officials said SDP leaders in the national party headquarters and Tokyo chapter made the decision when they met Wednesday.

Yamahana has refused to run for election. The Japan Postal Workers Union, a strong supporter of the party, and Yamahana's personal supporters have also opposed his candidacy.

The SDP (formerly the Japan Socialist Party) is the only major party without a candidate for the April 7 gubernatorial election, the most important of the unified local elections to be held on that day.

The ruling Liberal Democratic Party, Komeito, and the Democratic Socialist Party have decided to field former NHK executive Hisanori Isomura to run against incumbent governor Shunichi Suzuki. Other contenders include Antonio Inoki, a pro wrestler-cum-politician and member of the House of Councillors, and Shigeo Hatada, an international politics scholar backed by the Japanese Communist Party.

North Korea

Kim Yong-sun Leads WPK Delegation to Japan

Delegation Leaves for Visit

SK2002070291 Pyongyang KCNA in English 0423 GMT 20 Feb 91

[Text] Pyongyang February 20 (KCNA)—A delegation of the Workers' Party of Korea [WPK] led by Kim Yong-sun, member of the Central Committee [C.C] of the WPK, secretary in charge of international affairs of the C.C., the WPK, vice-chairman of the Foreign Affairs Committee of the Supreme People's Assembly [SPA] and deputy to the SPA, left here this morning for a visit to Japan at the invitation of the Liberal Democratic Party and the Social- Democratic Party of Japan.

The delegation consists of deputy head Choe Mun-son, member of the C.C., the WPK, chief secretary of the Pyongyang Municipal Party Committee and chairman of the Pyongyang Municipal People's Committee and deputy to the SPA; and members of the delegation Won Tong-ku, member of the C.C., the WPK, chairman of the Central Committee of the General Federation of Trade Unions of Korea and deputy to the SPA; Choe Hak-nae, vice-director of a Department of the C.C., the WPK; Kim Yang-kon, vice-director of a Department of the C.C., the WPK and vice-chairman of the Foreign Affairs Association of Korea; Choe Hyon-tok, vice-chairman of the Central Committee of the League of Socialist Working Youth of Korea and deputy to the SPA; Yi Chol-sin, vice-chairman of the Korean Society for Cultural Relations With Foreign Countries; Nam Sun-hui, president of Samhung University and deputy to the SPA; and Kim Chong-hyong, chief of a section of the C.C., the WPK.

The delegation was accompanied by suite members and reporters.

It was seen off at the airport by Hwang Chang-yop, secretary of the WPK Central Committee, Kwon Min-chun, vice-director of a department of the WPK Central Committee, and other officials concerned.

Delegation Arrives in Tokyo

SK2002070891 Pyongyang KCNA in English 0509 GMT 20 Feb 91

[Text] Tokyo February 20 (KCNA)—A delegation of the Workers' Party of Korea [WPK] headed by Kim Yong-sun, member of the Central Committee of the WPK, secretary in charge of international affairs of the C.C., the WPK and vice-chairman of the Foreign Affairs Committee of the Supreme People's Assembly and deputy to the SPA, arrived in Tokyo this morning for a visit to Japan at the invitation of the Liberal Democratic Party [LDP] and the Social- Democratic Party of Japan.

It was met at the Haneda Airport by member of the House of Representatives Shin Kanemaru, former deputy prime minister of Japan and LDP members of the House of Representatives.

It was also met by Chairman Han Hok-su and First Vice-Chairman Yi Chin-kyu of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) and many other Chongnyon officials and Koreans in Japan.

The delegation was greeted at the hotel by Makoto Tanabe and Wataru Kubo, vice-chairmen of the Central Executive Committee of the Japan Social-Democratic Party and members of the House of Representatives and other personages concerned.

Delegation Pays LDP Courtesy Call

SK2002120691 Pyongyang KCNA in English 1052 GMT 20 Feb 91

[Text] Tokyo February 20 (KCNA Correspondent)—A delegation of the Workers' Party of Korea on a visit to Japan today paid a courtesy call on the headquarters of the Liberal Democratic Party of Japan.

Present there were the members of the WPK delegation headed by Kim Yong-sun, secretary of the C.C., the WPK, vice-chairman of the Foreign Affairs Committee of the Supreme People's Assembly and deputy to the SPA.

Members of the House of Representatives Ichiro Ozawa, secretary general of the Liberal Democratic Party, Hajime Ishii, acting president of the Foreign Affairs Research Council of the LDP and chairman of the Welcome Committee for the WPK delegation, Takeshi Noda, deputy secretary general of the LDP and vice-chairman of the Welcome Committee, Shojo Harata, deputy secretary general of the LDP, Masayoshi Takemura, chief secretary of the Welcome Committee, Hajime Funata, chief of the Foreign Affairs Council of the LDP, and Kunio Hatoyama, director of the International Department of the LDP, were also present.

Ichiro Ozawa posed for a photograph with the WPK delegation, suite members and reporters accompanying it.

A conversation took place in a cordial atmosphere.

Japanese Politicians Meet Delegation

SK2002122791 Pyongyang KCNA in English
1028 GMT 20 Feb 91

[Text] Tokyo February 20 (KCNA correspondent)—Cadres of the Liberal-Democratic Party and the Social-Democratic Party of Japan today paid a courtesy call on the visiting delegation of the Workers' Party of Korea at the hotel. Present on the occasion were Shin Kanemaru, former deputy prime minister of Japan; Hajime Ishii, acting president of the foreign affairs research council of the LDP; Shinjiro Yamamura, Liberal- Democratic member of the House of Representatives and former minister of transport; Makoto Tanabe and Wataru Kubo, vice-chairmen of the Central Executive Committee of the Social-Democratic Party of Japan. The members of the WPK delegation were on hand. A conversation took place in a cordial atmosphere.

Korean, Japanese Athletes Meet in Tokyo

SK1602111691 Pyongyang KCNA in English
1000 GMT 16 Feb 91

[Text] Tokyo February 14 (KNS-KCNA)—A 1991 New Year's friendship gathering of Korean and Japanese sportsmen took place in Tokyo on February 9.

In his speech Paek Chong-won, chairman of the Association of Korean Sportsmen in Japan, said that full-dress talks for the normalization of DPRK-Japan relations now under way on the basis of the publication of the joint declaration of the Workers' Party of Korea and the Liberal Democratic Party and the Socialist Party of Japan are a significant event that has opened a new page of history in the improvement of the relations and that sports and cultural exchange between the two countries will be invigorated this year.

Saying that it is expected that Korean sportsmen will participate in soccer, baseball, basketball, judo, shooting and other international tournaments to be held in Japan, he expressed the belief that Japanese sports officials will make strenuous efforts to strengthen and develop sports exchange and friendship between the two countries.

Speeches were also made by the chairman of the Japan Olympic Committee, the acting chairman of the Japan-Korea Society for Sports Exchange and others.

They said they will as ever make efforts to deepen friendship through brisk sports exchange.

Daily Stresses Paektu Revolutionary Spirit

SK1902112891 Pyongyang KCNA in English
1008 GMT 19 Feb 91

["NODONG SINMUN Calls for Accelerating Socialist Construction in Paektu Revolutionary Spirit"—KCNA headline]

[Text] Pyongyang February 19 (KCNA)—If we are to emerge ever-victorious, promote national reunification and accomplish our revolutionary cause, overcoming whatever difficulties and trials, it is imperative to always live and fight in the Paektu revolutionary spirit, stresses NODONG SINMUN today.

The editorial quotes the dear leader Comrade Kim Chong-il as saying: "In order to complete the revolutionary cause of chuche, we must fully equip ourselves with the revolutionary traditions of the anti- Japanese struggle and fight on at all times by displaying that revolutionary spirit."

The editorial says:

The Paektu revolutionary spirit was created in the period of the anti-Japanese revolutionary struggle organised and led by the great leader Comrade Kim Il-song. It is a revolutionary spirit of chuche for making the revolution by one's own efforts, guided by the leader of the revolution, an indomitable spirit of bold attack to clear the path of progress through struggle with steadfast faith and a staunch spirit of fighting to the bitter end.

It is the invariable faith of our party to step up socialist construction and bring the revolutionary cause of chuche to completion in this spirit, braving all the difficulties. The invincible might of our party and the characteristics of the continued Korean revolution find expression in inheriting the Paektu revolutionary spirit through generations.

The Paektu revolutionary spirit is a powerful ideological and spiritual source that makes it possible to triumphantly advance socialist construction and fully demonstrate the advantages and invincibility of our-style socialism. To dynamically push ahead with socialist construction in this spirit is the basic way of effecting a fresh revolutionary upsurge in all fields. It is also a true way of consolidating and developing our-style socialism to be a true society of the people in which everything serves the people, a most viable society that constantly develops on the solid foundations of independence, self-sustenance and self-reliance in national defence.

The editorial calls on the entire party members and working people to vigorously turn out in the onward movement of the 1990s in the Paektu revolutionary spirit so as to work new miracles and feats and successfully accomplish the cause of our party.

What is most important in living and fighting in the Paektu revolutionary spirit is that the entire party members and working people have the unshakable resolution to share the same will and destiny with the leader of the revolution, the editorial stresses.

In order to live and struggle in the Paektu revolutionary spirit, all the party members and working people should actively apply to their work and life the revolutionary trait of struggle displayed by the anti-Japanese guerrillas, in hearty response to the party's slogan "Let us produce, study and live like the anti- Japanese guerrillas!"

It is an important demand in living and struggling like the anti-Japanese guerrillas that the party members and working people have the faith of certain victory and revolutionary optimism. The conviction of certain victory and revolutionary optimism displayed by the anti-Japanese revolutionary fighters should be an invariable creed for our people who are building socialism, upholding the revolutionary banner today.

We should firmly defend and carry through the revolutionary principle, the socialist principle, in all domains of the state and social affairs, cherishing the pride and honor as a people making revolution under the guidance of the great party, the great leader. Thus they should decisively smash the imperialists' strategy of "peaceful transition" and build socialism of our own style more successfully under the revolutionary banner of chuche.

Commentary: South Responsible for Suspended Talks

SK2002083891 Pyongyang Domestic Service in Korean 1150 GMT 19 Feb 91

[Unattributed commentary: "The South Side Is Responsible for Having Suspended Dialogue"]

[Text] Seizing the Gulf war, the South Korean puppets declared an emergency wartime state throughout South Korea under the pretext of nonexistent threats of southward invasion; following this, started the provocative Team Spirit-91 joint military exercise along with the U.S. imperialists, thus increasing the danger of war to the utmost; and are further stepping up fascist suppression against the forces for reunification and democracy in South Korea. In connection with this, as has already been reported, the North side's delegation to the North-South high-level talks released a statement on 18 February. The statement vehemently denounced those fellows for kicking up reckless war maneuvers and suppression commotions, and made it clear that the North-South high-level talks, scheduled for 25 February, cannot be held as scheduled under circumstances in which, because of the criminal maneuvers by the puppets, North-South relations have been turned back to acute confrontation, which had prevailed before dialogue started, and in which a very tense situation prevails on the Korean Peninsula in which a war may break out at anytime.

Because the North-South high-level talks are a dialogue for the reunification of the country, neither the North nor the South must inspire confrontation, increase the danger of war, and suppress people who demand reunification. If one continuously commits such acts even though dialogue is underway, this will incite the dialogue partner; contrary to what dialogue pursues, mutual confrontation will only be intensified; and it is of no use to hold such a dialogue scores of times. This is a serious lesson from North-South dialogue of the past.

Therefore, since the North-South high-level talks started, we have proposed to the South side that the North and South adopt a nonaggression declaration, thus bringing an end to political and military confrontation between the North and South and providing a favorable phase in peace and peaceful reunification, and asked the South side to suspend the Team Spirit joint military exercise. We even proposed that the South side suspend the Team Spirit joint military exercise for, at least, two or three years—when the North- South high-level talks are underway—if it cannot completely suspend the exercise. Early in January this year, we declared a new epochal proposal for peace in the country and reunification, and asked the South Korean authorities to accept our proposal for adopting a North-South nonaggression declaration and to suspend the Team Spirit war exercise.

This proposal by us is a just proposal that can be accepted by anyone who sincerely hopes for peace in the country and her peaceful reunification, who treasures North-South dialogue, and who has the intention of making progress in North-South dialogue, and is fully supported by people at home and abroad. Nevertheless, the No Tae-u ring did not accept our generosity or any of our peace proposals but, in response to our peace proposals and generosity, finally started the aggressive Team Spirit-91 nuclear war exercise.

Even though it clearly knows that the Team Spirit war exercise temporarily suspended or broke up North-South dialogue, which is a serious lesson, the No Tae-u ring again started a war exercise along with the U.S. imperialists. This surely is a deliberate act designed to oppose the easing of tension, to reject dialogue, and to hinder reunification.

How can we sit face to face and discuss reunification with those who, despite our repeated advice and generosity, are wielding bayonets to crush patriotic forces for reunification and democracy and who are running wild in a war exercise designed to strike their fellow countrymen, their dialogue partner, along with the aggressors?

No matter what it may say, the No Tae-u ring will not be able to escape from responsibility for having suspended the North-South high-level talks nor is it qualified to talk about dialogue or being a partner in dialogue for reunification. We have treasured North- South dialogue and will do so in the future. However, as stated in the statement by the North side's delegation to the North-South high-level talks, we will not try to follow and catch those betrayers and national traitors who are running away after retreating from the road of dialogue. The No Tae-u ring, which has brought the North-South high-level talks, which had been held amid the entire nation's expectations and attention, to the crisis of a breakup, will pay dearly to the nation and will not be able to escape from the curse and denunciation of the world's progressive people.

Article on South's UN Membership

SK1902051691 Pyongyang KCNA in English 0405 GMT 19 Feb 91

["Traitors Will Be Held Responsible for Division Before History and Nation—NODONG SINMUN commentator's article"—KCNA headline]

[Text] Pyongyang February 19 (KCNA)—NODONG SINMUN today carries a commentator's article under the headline "Traitors Will Be Held Responsible for Division Before History and the Nation" denouncing the South Korean authorities' campaign for unilateral U.N. membership.

Following is the full text of the article:

The historical August 15 pan-national rally in Panmunjom last year which was followed by joint festivals such as joint cheering for reunification, reunification soccer games and reunification concerts were grand events in which the North and the South demonstrated the original looks of our nation before the world, welded into one for the first time since the division of the nation.

In those days the cries of the fellow countrymen for reunification that sounded in chorus in the North and the South spread before our eyes real scenes of one nation and one country which had been pictured only in dreams.

The sentiments of the people either in the North or in the South are now oriented toward reunification and the whole nation is forging ahead toward reunification in the '90s.

To look foursquare at this trend of public sentiments and the direction of national history and lead the seventy million fellow countrymen along a shortcut to national reunification is a most pressing task devolving on the authorities and politicians of the North and the South at present.

The South Korean authorities, however, are still seeking anti- communist confrontation and "two Koreas," closing their eyes to the reality.

Typical of it is their current open campaign for unilateral U.N. membership.

The South Korean authorities who entered on an underhand lobbying with this or that country already last year, declaring that they would enter the United Nations unilaterally, refused our reunification-oriented measures toward the United Nations and finally opted to push for unilateral U.N. membership. By so doing they completely broke up the negotiation between the authorities of the North and the South regarding U.N. membership and took the road of irretrievable treachery.

It is, indeed, a painful thing for the future of the nation that such rash separatist acts bereft of conscience as Korean politicians and sense of reality, are being committed without hesitation at a time when the desire of all the fellow countrymen for reunification has grown all the more ardent and cooperation between the authorities of the North and the South and their efforts for a solution of the question of national reunification are needed more urgently than ever before.

When sports, arts and fellow countrymen are all tending towards becoming one, the South Korean authorities alone want to live separately like aliens, with all things divided into two. This is, indeed, a downright challenge to the nation's will for reunification.

It is, of course, natural and worthy of welcome for independent and sovereign, reunified countries to enter the United Nations, a universal international organization for world peace and security.

However, the question of the North and South of our country, a divided country, entering it is a very serious question which is directly linked to the prospect of national reunification, a vital demand of our nation.

For the North and the South to separately enter the U.N. while the country remains divided is a foolish act of reconciling themselves to the division caused by outside forces and voluntarily assuming responsibility for the division.

The division of Korea was not chosen by our nation and, accordingly, the responsibility for it does not rest with us, nor is it based on any publicly recognized international law. That is why our nation has not recognized the forced division as righteous and legitimate any time, but has consistently struggled against division and for reunification.

Why then must we recognize the division of the country and assume to ourselves the blame for the division by the separate entry of the North and the South into the United Nations when the country is yet to be reunified?

This is an act insulting the noble patriotic struggle and the dignity of our fellow countrymen who have fought against the division of the country and for national reunification for scores of years, laying down their lives without hesitation.

For the North and the South to separately join the United Nations while the country remains divided is another separatist act of having "two Koreas" legitimized before the world.

Our country remains divided and this division imposes immeasurable misfortunes and sufferings on our fellow countrymen. This is a heart-rending tragic reality. Then, why must the North and the South legitimize the division by joining the United Nations separately?

And why must we legitimize the division of the country into "two Koreas" internationally and freeze the division today when the entire fellow countrymen have turned out to terminate the division and reunify the country as soon as possible? This is intended to turn our nation advancing toward reunification back to the original point of division, internationalize the question of the reunification of the country, an internal affair of our nation, and open the way for foreign interference in our country.

This being the case, can anyone claim that separate entry of the North and the South into the United Nations is advantageous to reunification?

The separatist scheme of the South Korean authorities to block the way of reunification and legitimize and freeze the division of the country into "two Koreas" through unilateral entry into the United Nations has been dragged into the light of day. Having failed to persuade us to recognize "two Koreas" with the argument for "recognition of entities" and "recognition of the realities," they now plan to force their scheme on our nation through the United Nations, taking advantage of the change in the international balance of forces.

We can never keep step with the South Korean authorities in their sinister plot of national division, whether it is simultaneous entry or unilateral entry into the United Nations.

We do not have the intention to recognize and take for granted the division imposed by outside forces, still less the willingness to assume to ourselves the blame for the division for outside forces.

Consistent is our position against the freezing of the division into "two Koreas" and against foreign interference in the internal affairs of our nation.

Having made every sincere effort possible to solve the problem of U.N. membership in favour of national reunification, we can hardly repress resentment and disappointment at the South Korean authorities' persistent drive at unilateral entry into the United Nations.

As they are trying to enter the United Nations unilaterally at their own will, they will have to answer for their crimes.

The traitors who favour division and try to legitimize "two Koreas" internationally against the will of the nation must be blamed by history and the nation for the division and for all the misfortunes and disasters that our fellow countrymen would suffer from the division.

The South Korean authorities' unilateral entry into the United Nations is not confined to prolonging the division of the country and delaying the reunification.

It will no doubt be a new accelerant bringing the confrontation between the North and the South to a more acute phase.

The South Korean authorities' attempt to unilaterally join the United Nations, rejecting all our sincere advices and proposals, is a sort of declaration of breaking off relations with the North and an open challenge to it. This has created another cause of distrust between the North and the South. How can we expect reconciliation and detente under such situation?

From the beginning, we have maintained that we should resolve the internal affairs within our nation and refrain from competing with and fighting each other outside the country. Hence, we have repeatedly held that the North and the South must share the same seat in the United Nations.

If the South Korean authorities unilaterally enter it, however, the internal strife will inevitably be carried to the international political arena.

Don't the South Korean authorities feel it a disgrace to the nation? It is very absurd and obtrusive for them, who have no sense of shame or the intention to solve the internal affairs of the nation between the fellow countrymen, to blare that they would use the U.N. theatre in favour of reunification after joining it.

We must not forget that the Korean peninsula is today in an unstable state of armistice which is neither peace nor war and the North and the South are in a state of acute military confrontation.

If the political confrontation between the North and the South grow more acute owing to the South Korean authorities' unilateral entry into the U.N., it will inevitably pose a greater threat to the unstable situation of the Korean Peninsula.

How can we take this road of crimes together with the South Korean authorities ?

We who value peace on the Korean peninsula and Asia cannot do it. If the South Korean authorities dare enter the U.N. unilaterally, however, they will have to pay dearly for plunging the nation into an exhausting confrontation and will have to answer to the fellow countrymen and the world people for exposing the nation to the danger of a disasterous war and endangering peace in Asia and the rest of the world.

Not much penetration is needed to see why the South Korean authorities are trying to justify the division of the country, making so much haste with unilateral entry into the U.N.

We clearly see through the despicable intention of the South Korean authorities who, utterly indifferent to the dignity and interests of the nation, are dreaming of "reunification by prevailing over communism" while propping up the U.S.-backed splittist dependent regime in a half of the bisected country.

We solemnly warn the South Korean authorities.

The South Korean authorities who seek to prolong their remaining days with division and treachery must ponder over where the traitorous road will lead them.

There is no future to the national splittists. They will only leave an indelible stain on their name.

History is sure to judge the traitors.

We are now standing on the hill of new history to put an end to the nearly half a century long tragedy of national division and build a reunified country.

The nationwide grand march of our nation toward reunification in the '90s will frustrate all obstructive moves of the splittists and accelerate the day of national reunification.

The day of reunification is now breaking on the horizon of history.

NODONG SINMUN Views South's Trade Unions

SK1602052591 Pyongyang KCNA in English 0442 GMT 16 Feb 91

["NODONG SINMUN on Suppression of Labor Movement by Puppets"—KCNA headline]

[Text] Pyongyang February 16 (KCNA)—The No Tae-u group February 10 walked away 68 trade union leaders of various units including the vice-chairman of the Hyundai Heavy Industries Trade Union, detained seven of them on charges of "third-party intervention contravening the law of labour disputes" and walked away six workers of Hyundai heavy industries on the 6th and the chairman and general secretary of the trade union of the Maxon Electronics Co., Ltd of the Kuro industrial zone on the 3rd on charges of the violation of the "National Security Law".

Slashing at this fascist repression, a signed commentary of NODONG SINMUN today says:

This is a vicious criminal act violating the elementary right to existence and democratic freedom of the workers and a prelude to a new repressive offensive for totally stifling the labour movement.

By suppressing the righteous action of the workers with "government" power, branding it as "illegal", the puppets self- expose that they ganged up with the comprador capitalists and they are the heinous fascist tyrants with whom the workers cannot live under the same sky.

It is with the backing of the puppets that the management refused the demand of the trade union side and committed the arrogant acts of dismissing union leaders.

The puppets are stretching the hand of suppression to the solidarity struggle of trade unions for the right to existence, in fear of the unity of the workers. Through their own acts, the puppets disclose that South Korea is under the most truculent fascist dictatorship which does not allow the elementary three rights of labour.

The puppets are getting more vicious in their repressive campaign after they announced "an emergency war-time system" with the Gulf war as an occasion.

With no fascist suppression, however, can they destroy the labour movement.

Red Cross Requests Information on South Crewmen

SK2002054891 Pyongyang KCNA in English 0506 GMT 20 Feb 91

[Text] Pyongyang February 20 (KCNA)—Yi Song-ho, acting chairman of the Central Committee of the Red Cross Society of the Democratic People's Republic of Korea, today sent a telephone message to the president of Red Cross of South Korea.

Stating that the competent organ of our side is investigating the crewmen of the ship "Namhae 006" apprehended by a naval patrol boat of the Korean People's Army on February 5 when it illegally intruded into the territorial waters of our side, the telephone message made it clear that the South side is not in a position to meddle in the return of the ship because it is not of South Korean registry. But, as the crew includes South Korean seamen, the South Korean side is requested to send in short time personnel data for their indentification, it said.

CPRF Secretariat Director Holds News Briefing

SK2002122891 Pyongyang KCNA in English 1030 GMT 20 Feb 91

[Text] Pyongyang February 20 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] gave a news briefing at the People's Palace of Culture today. Paek Nam-chun, director of the Secretariat of the CPRF, told home and foreign reporters: The South Korean authorities declared a "war against crimes" in October last year and have since intensified a wholesale repressive offensive to suppress and stifle the pro-reunification democratic forces.

After declaring an "emergency wartime system" with the outbreak of the Gulf war, they placed the puppet army on "emergency combat alert" and started the provocative "Team Spirit" joint military maneuvers and, in this terror-ridden atmosphere, launched a most violent repressive campaign ever known. What is noteworthy in the ongoing repressive campaign is that they create such political situation for this purpose as a state of emergency martial law and cover South Korea with repressive forces.

Now in South Korea, not only the police and the "security planning board" but also the regular armed forces such as the "army security command" and the "Seoul garrison command" and even the "crime- prevention corps," "homeland defence reserve forces" and other para- military forces are running about with rifles in the repression of people who desire independence, democracy and reunification.

They are faking up false "cases" and indiscriminately cracking down on the pro-reunification democratic forces and progressive organizations by linking them with the "cases." The South Korean authorities fabricated such false cases as "Saromaeng [South Korean Socialist Workers Alliance] case," "Chamintong [National Alliance for Democratic Reunification] case" and "Chonminhaknyon [National Democratic Students Alliance of Korea] case" and try to link them with the North in a far-fetched way.

As regards the "Chamintong case", they branded "Chamintong" as an "underground secret organization" guided by the action programme of the "South Korean National Democratic Front" (Hanminjon), a patriotic organization of South Korea, while slandering "Hanminjon" as a North's "camouflaged organization for propaganda to the South". They alleged that the "National Council of Student Representatives," the "Seoul District Federation of General Student Councils" and the General Student Councils of all universities are linked with the north through "Chamintong."

The present South Korean authorities outwardly go through the motion of "extending of human rights" but, in actuality, the violation of human rights is still harsher than in the days of the "Fifth Republic". The "political offenders" numbered more than 4,200 after appearance of "the Sixth Republic". This means four times those in the "Fifth Republic" in the daily average of detainees. And nearly 100,000 patriotic students and democratic figures are banned from or restricted in political activities by "law on supervision for public peace".

The fascist suppression in South Korea today indicates that the authorities are restoring the "Yusin system" and the dictatorship of the "Fifth Republic" and outdistancing their predecessors in ferocity, brutality, craftiness and viciousness. The unprecedented fascist repression nowadays, the No Tae-u ruling group aims at saving its internal crisis, achieving political stability and, furthermore, laying a foothold for long-term office.

Noting that the South Korean authorities are deliberately worsening North-South relations to justify the suppression of the pro-reunification, democratic forces and further intensify it, Paek Nam-chun said, and warned: They can never evade the blame for having brought the North-South dialogue to a rupture.

He stressed in conclusion: The South Korean authorities must give up at once the fascist suppression of pro-reunification, democratic forces and, particularly, release unconditionally coed Yim Su-kyong and Father Mun Kyu-hyon who visited Pyongyang for national reunification, Rev. Cho Yong-sul, Yi Hae-hak and Cho Song-u who participated in the Berlin talks for the formation of the pan-Korean alliance for reunification and other messengers of reunification and all other illegally arrested patriotic students and people. They must stop at once the very provocative "Team Spirit" joint military exercises by joining hands with foreign forces and take the road of easing the tensions. Then he answered questions put by reporters.

Analyst: South Wants 'Reunification by Absorption'

SK1902124191 Pyongyang KCNA in English
1042 GMT 19 Feb 91

["Insolent Act" by KCNA analyst]

[Text] Pyongyang February 19 (KCNA)—The South Korean authorities are now working hard to isolate and weaken the North and create a favorable climate for gratifying their wild desire for "reunification by absorption."

An instance of it is that they are crying for the North's "opening" and "reforms," describing it as being "isolated" internationally and "closed." It must not go unnoticed that they resorted to such foolish act as ridiculously asking their "friendly countries" to induce us to something like "opening" and "reforms." This is, in essence, nothing but a revelation of their intention to send the "wind of liberalism" and capitalism toward us and thus "stifle" our socialism and gratify their desire for "reunification by prevailing over communism." "Reunification by prevailing over communism" in our country is a daydream which will never come true.

Our socialism which has been built through the application of the chuche idea is invincible. As for "reform" and "opening" they have nothing to do with us. From long ago, we have been constantly restructuring the political, economic, cultural and all other fields in our own way through the three revolutions, ideological, technical and cultural, and we have established state relations with all countries of the world which are friendly toward our country on the basis of our independent foreign policy and are developing them uninterruptedly.

As far as the relations between the North and the South are concerned we raised the questions of full-scale opening and free travel and are making all efforts to carry them into effect. It is South Korea itself where opening and reforms must be practically carried out. Although the South Korean authorities outwardly "welcome" free travel and complete opening between the North and the South, they, in actuality, keep the concrete wall of division intact, totally block the northern trip of many democratic organizations and personages desirous of dialogue and contact with the North, even arrest and punish them without hesitation by invoking the "National Security Law," a product of the old era of confrontation. The number of those arrested and punished by the present South Korean authorities is double those in the "Fifth Republic" of Chon Tu-hwan, which earned itself ill fame as a military fascist dictatorial regime. Having declared "a war against crimes", the South Korean authorities have arrested and persecuted many messengers of reunification and democrats under the pretext of rounding off [as received] the criminals. This being the case, it is outrageous and impudent for the South Korean authorities to talk about "closedness" of somebody else. It is only the South Korean authorities that can engage themselves in despicable entreaty diplomacy devoid of independence and dignity, asking a great power to "lead" someone to "opening". Before crying for "opening" and "reforms" of the North, they had better immediately accept our reasonable proposal for complete opening between the North and the South and remove the double barrier, that is, the concrete wall and the "National Security Law" which block travel and opening between the North and the South. It is the reality of South Korea that many envoys of reunification cannot visit the North, however eagerly they want to do so, and those who had been to the North are arrested and jailed on charges of violation of the "National Security Law." The South Korean authorities must look squarely at the realities today, stop giving impudent "advices" to somebody else, discard their foolish dream of "unification through absorption" and discontinue misleading the public opinion of the world.

Olympic Committee Head Hails Unified Team

SK1902124391 Pyongyang KCNA in English 1020 GMT 19 Feb 91

[Text] Pyongyang February 19 (KCNA)—Kim Yu-sun, chairman of the Olympic Committee of the DPRK, in a statement to the press today warmly hails the proclamation of the birth of the first unified teams to the home and foreign public at the recent North-South sports talks, saying that it is a precious fruit borne by our side's sincere effort over the past 30 odd years and an event which will help toward achieving the unity of the nation and hastening the independent and peaceful reunification of the country.

Recalling that sportsmen of the North and the South have undergone the painful tragedy of competing with and confronting each other as separate teams in international games over the past 40 odd years, Kim Yu-sun said: In order to put an end to the disgrace and tragedy, we initiated North-South sports talks long ago to form unified teams and have made patient efforts to this end. A bright road has been opened at last for the North and the South to proceed with unified teams to the 41st World Table Tennis Championships slated for April this year in Japan and the world youth soccer championships scheduled in Portugal in June thanks to our steadfast stand and sincere and strenuous efforts to form unified teams as promised to the nation, he said, and added: The birth of the unified teams is, indeed, of great significance, we may say. Their birth, first of all, provides sportsmen of the North and the South with opportunities to restore their bonds and demonstrate the resourcefulness and honor of our nation to the world in the sports field. When the courageous, resourceful and talented sportsmen in the North and the South pool their techniques and strength and take part in international games as unified teams, they will no doubt give good accounts of themselves and demonstrate the united might of our nation not lagging behind any nation in Asia and the world. And the birth of the unified teams has made it possible to display the will of our fellow countrymen to promote the great national unity and live in harmony in a reunified country and give new conviction and inspiration to them in their efforts to achieve reunification in the 90s without fail. If the North and South form unified teams for international games, it will greatly contribute to promoting national reconciliation and unity, breaking the ice between the North and South which has remained thick for decades and paving the way for reunification. Of course, we have yet a lot of things to be done for the formation of unified teams and their participation in international games. The working committees of unified teams which will be formed and operated should earnestly discuss and decide upon the practical matters over the formation of unified teams in the spirit of reconciliation and unity in keeping with the spirit of the agreement reached between the sides and make them take part proudly in the forthcoming international games.

Now the South side is, in fact, persistently spoiling the atmosphere of dialogue, ignoring the unanimous demand of the nation. Such being the situation, it cannot be said that the obstacles have completely disappeared in forming unified teams. Therefore, it entirely depends on the attitude and stand of the South side whether the North and the South would form unified teams for the 41st World Table Tennis Championships and the 6th World Youth Soccer Championships, or not. The delegates of the sides will in the future have to solve the matter of the regularisation of North-South reunification soccer games and then discuss and decide upon the matters of the participation in the 25th Olympiad, the 3rd winter Asiad and other major international games as unified teams and discuss North-South sports exchange, too, as they proclaimed at home and abroad in the North-South agreement. We will as ever make all sincere efforts to form unified teams so that they may display resourcefulness and excellent skill of our nation at international games and greatly contribute to the cause of national reunification. I earnestly hope that meetings of the working committees of unified teams which will open amid great attention at home and abroad will be steered successfully in conformity with the desire of the fellow countrymen. And I extend thanks to the international sports organisations, sports officials and all the sportsmen of the world for sincerely rejoicing over and hailing the birth of the North-South unified teams and express the belief that they will in the future, too, render firm solidarity with our consistent efforts for unified teams.

Workers Protest South's Team Spirit Exercises

SK1602050991 Pyongyang KCNA in English 0425 GMT 16 Feb 91

[Text] Pyongyang February 16 (KCNA)—Employees of the Kum Song General Tractor Works, the Pyongyang Coal Mining Machine Plant, the Pyongyang Cigarette Factory and the Chaeryong Mine held rallies and strongly denounced the criminal "Team Spirit 91" joint military exercises of the U.S. imperialists and the South Korean authorities.

The speakers said that the "Team Spirit 91" is, to all intents and purposes, a preliminary war and a test nuclear war aimed at invading the Northern half of korea.

This war game is fraught with a serious danger as it is being staged after an "emergency wartime system" was proclaimed in South Korea and the U.S. troops and the puppet army were put on "an emergency mobilization posture" with the outbreak of the Gulf war, they said.

If the U.S. imperialists and their lackeys unleash a war on this land in defiance of the strong protest and denunciation within and without, we heroic workers and people will rise as one for the honor of chuche Korea and dump the aggressors in the rubbish heap of history, they solemnly warned.

Sources Report More Team Spirit Exercises

SK2002072291 Pyongyang KCNA in English 0449 GMT 20 Feb 91

["Act Coiling Up Tensions on Korean Peninsula"—KCNA headline]

[Text] Pyongyang February 20 (KCNA)—The U.S. imperialist aggressors continue to bring troops, fighter planes, warships to be hurled into the provocative "Team Spirit 91" joint military exercises to the operational zone in South Korea from their aggression bases in the U.S. mainland and the Pacific, increasing the tensions on the Korean peninsula, according to military sources.

From the 14th to 18th of February the U.S. imperialists brought in succession formations of C-130, and C-141 transport planes massively transporting U.S. forces of three services and operational equipment to air bases in Osan and Kunsan, South Korea, from the U.S. mainland, Hawaii and overseas bases and deployed them in the operational zone for the provocative exercises.

Earlier, on February 13, they brought the 4,640 ton-class nuclear-powered submarine Cavalla, armed with equipment of latest type to Chinhae Port, South Korea, from the U.S. mainland and on Feb. 16 brought formations of KC-10 refuelling tankers to the Kunsan Air Base for an aerial operation.

From Feb. 15 to 18 they brought formations of antisubmarine patrol planes, fighter-bombers, pursuit- assault planes and assault planes such as P-3, F-15 FA-18 and A-6 to Osan and Kunsan Air Bases from the U.S. mainland and Misawa, Japan, and other overseas bases for aerial exercises to be staged under the "Team Spirit 91" program.

In separate development, the South Korean rulers let formations of more than 50 fighter planes make shuttle flights from Munsan area adjacent to the Military Demarcation Line to Kanghwa Island on February 16 and 17 for an open aerial espionage on the area of our side.

Paper on 'Offensive Nature' of Team Spirit

SK2002105491 Pyongyang KCNA in English 1002 GMT 20 Feb 91

["Dangerous Nuclear Strike Exercises Under 'Defence' Veil"—KCNA headline]

[Text] Pyongyang February 20 (KCNA)—The U.S. imperialists and the South Korean authorities contend that the "Team Spirit 91" joint military exercises are not dangerous because they are "defensive" manoeuvres for thwarting "threat from the North". Refuting this, NODONG SINMUN in a by-lined article today says:

With such sophism they cannot cover up the offensive nature and danger of the "Team Spirit". It is preposterous for the South Korean authorities to claim that there exists "threat from the North" on the Korean peninsula and, therefore, "defensive exercises" are necessary. As everyone know , we have declared more than once that we have no intention to invade the South.

The "Team Spirit" is not for "defence" but for attacking the northern half of Korea. And it is not a play with fire just for fun which is free from danger but a dangerous war game which brings dark clouds of a nuclear war to the Korean peninsula. This war game is being staged on the nuclear depot biggest in the Far East.

South Korea tops the global list in the density of nuclear deployment. In South Korea where some 1,000 pieces of nuclear weapons are deployed, units specializing in nuclear war have been formed and are now on war footing. Also deployed there are the "nuclear planning operational unit" which analyzes the targets of nuclear strikes and works out programs of nuclear launching and the "quick nuclear reaction unit" in charge of the control of nuclear weapons and ready to make sorties with nuclear bombs within five minutes in the "event of contingency", keeping itself combat ready round the clock. In staging exercises on the powder keg, the U.S. imperialists claim that they are not dangerous. This is really nonsensical.

The danger of the "Team Spirit" is also proved by the forces and equipment mobilized in the manoeuvres and their contents. Participating in the exercises are forces enough to undertake a whole war and equipment necessary for a nuclear war. The contents of the manoeuvres including landing operation, river-crossing operation, aerial mobile operation and commando operation are of offensive nature. The U.S. imperialists are trying to start a total war with the goal of containing our Republic by means of blitz warfare based on a nuclear preemptive attack, while staging the war game with the mobilization of all the U.S. Forces in South Korea and the puppet army, after quickly massing huge armed forces in South Korea from the U.S. mainland and the Pacific region. If the U.S. imperialists and the South Korean puppets misjudge our people's will for peace as an expression of weakness and unleash a war, they will be burnt in the flame kindled by themselves.

NODONG SINMUN on U.S. 'Policy of Strength'

SK1702091391 Pyongyang KCNA in English 0817 GMT 17 Feb 91

["'Team Spirit' Is Graphic Expression of U.S. Imperialists' Policy of Strength"—KCNA headline]

[Text] Pyongyang February 17 (KCNA)—The "Team Spirit" joint military maneuvers are a graphic expression of the U.S. imperialists' policy of strength against socialism and clearly show that its sharp edge is directed against Korea, stresses NODONG SINMUN in a signed article today.

The article says:

The U.S. imperialists define the strangulation of socialism as the fundamental demand for realising their wild ambition for world supremacy and employ a double-dealing tactics which combines the policy of strength with the strategy of "peaceful transition." They try to disunite some socialist countries from within and turn them back to capitalism under the "peaceful transition" strategy and control with strength the countries which adhere to the revolutionary principle and advance under the banner of socialism. Our Republic becomes the first target of the U.S. imperialists' policy of strength aimed at stifling socialism with strength.

Suffice it to note that the U.S. imperialists have kept and systematically reinforced their troops in South Korea, deployed more than 1,000 pieces of nuclear weapons, staged "Team Spirit" and other military exercises and stepped up preparations for another war against the North, while turning their face away from all our reasonable proposals for relaxing the tension and removing the danger of war from the Korean peninsula.

The U.S. imperialists are more desperately resorting to the moves of war against the North to control our Republic with strength.

As soon as the Gulf war broke out, the U.S. imperialists manipulated the South Korean puppets to declare "emergency wartime system" and are now holding the "Team Spirit" joint military maneuvers. This shows that they are intensifying the confrontation of strength against the DPRK.

The U.S. imperialists attach great importance to the "Team Spirit" because this provocative military rehearsal is the main military lever for confrontation of strength. The "Team Spirit" maneuvers which began with the concentric deployment of nuclear weapons in South Korea have become the largest-ever war game with larger troops and equipment involved year after year. In recent years, the "Team Spirit" involved 200,000 U.S. troops and puppet army, nuclear aircraft carriers, hundreds of warships, 2,000 aircraft and 1,200 tanks a year.

This is a grave play with fire to mount a forestalling nuclear attack on the DPRK in view of its scale and content.

The U.S. imperialists "Team Spirit" maneuvers are a vicious challenge to the Korean people and world people desirous of peace in Korea and a criminal act going against the trend of the times.

If the U.S. authorities truly want peace and peaceful reunification of Korea, they must look squarely at the entire Korean people's unanimous desire for national reunification, stop the joint military exercises, abandon the dangerous policy of confrontation based on the position of strength, conclude a peace agreement with the DPRK as soon as possible and withdraw their troops and nuclear weapons from South Korea.

Commentary on South-U.S. Team Spirit Exercise

SK1902045891 Pyongyang Domestic Service in Korean 1150 GMT 18 Feb 91

[By station commentator Chong Pong-kil: "The Persons in Authority in South Korea Will Not Be Able To Escape From Responsibility"]

[Text] As reported, on February 18, the North side's delegation to the North-South high-level talks released a statement on the fact that our sincere efforts to open a new phase in peace and reunification through North-South dialogue and negotiations have met a grave challenge in the persons in authority in South Korea.

In collusion with the United States, the persons in authority in South Korea started the very provocative Team Spirit joint military exercise, thus turning a trend toward peace and reunification back to confrontation and war. The statement strongly denounced this as an unforgivable crime against dialogue, peace, and reunification, and made it clear that the persons in authority in South Korea are wholly responsible for the fact that the fourth North-South high-level talks, scheduled for 25

February, could not be held as scheduled. It is clear that military war exercises are incompatible with dialogue for peace and reunification.

At this time when high-level talks between the authorities of the North and South are underway, they, in collusion with foreign aggressors, started an adventurous war exercise to strike at us, a dialogue partner. This is an intolerable antinational crime.

Considering grave consequences that may arise from this war exercise, we have asked the South side, since the first round of the North-South high-level talks, to completely suspend the Team Spirit joint military exercise or to temporarily suspend it for at least two or three years—while talks are in session—if the exercise cannot be completely suspended. We have also repeatedly demanded that a North-South nonaggression declaration be signed. Again this year we urged the South Korean authorities to suspend the Team Spirit joint military exercise and to unhesitatingly accept the plan for a North and South nonaggression declaration. However, the persons in authority in South Korea have turned a deaf ear to the magnanimous proposal and sincere recommendations by us, who treasure dialogue and intend to make progress in dialogue and to achieve detente and peace, because they have been dreaming a different dream.

Even though they clearly knew the consequences the Team Spirit joint military exercise would bring to North-South reunification and North-South dialogue, they started the exercise despite our persuasion and advice. This is an intolerable challenge to our sincere efforts for detente and a deliberate act designed to destroy peace and disrupt dialogue.

To justify the Team Spirit joint military exercise, which is unfavorable to dialogue and peace, the South Korean ruling bunch has said that it would reduce its scale and shorten its duration. This clumsy explanation will not be swallowed by anyone. The Team Spirit-91 joint military exercise is a very dangerous game of playing with fire in which massive forces and enough means of nuclear attack to wage a full-scale war are mobilized, and is a preliminary war and test nuclear war designed to invade our Republic.

The Team Spirit-91 joint military exercise is all the more serious and dangerous because it is being conducted under circumstances in which, in the wake of the Gulf war, an emergency wartime system has been put into effect in South Korea and in which the U.S. forces and the puppet forces are ready for emergency mobilization. This joint military exercise is all the more criminal in nature because the persons in authority in South Korea, a part of the North-South high-level talks, forcibly started it even at the sacrifice of dialogue.

The South Korean ruling bunch has said that it would reduce the scale of this joint military exercise and shorten its duration. In this way, it virtually admitted that this war exercise is of a criminal nature. If this military exercise poses no threat at all, then there is no reason to conceal it by not even reporting on it even though it is about a month since it started the exercise.

The South Korean puppets started the Team Spirit joint military exercise even at the risk of disrupting the North-South high-level talks, which had begun after a long delay. They did this to aggravate the situation and bring back North-South relations to acute confrontation, which prevailed before dialogue started, thus stifling a trend toward reunification of the fatherland which is growing among the South Korean people; resolving a crisis in their rule; and fulfilling their ambition to achieve reunification by defeating communism with the backing of outside forces.

The No Tae-u ring is a destroyer of dialogue, a disturber of peace, and an obstructor of reunification who, seized with the anachronistic wild fancy, tries to find a way out in the outdated policies of confrontation and war. They have led the high-level talks, which they themselves attended, into the danger of disruption by kicking up war commotions. Therefore, they have virtually been disqualified from talking about dialogue and becoming a partner in dialogue for reunification.

As relayed in the statement by the North side's delegation to the North-South high-level talks, we have no intention of following and catching those who retreat from the road of dialogue and run away despite our sincere advice and magnanimity.

The persons in authority in South Korea will not be able to avoid being held responsible for having brought the North-South high-level talks, which all the fellow countrymen expect much from and which the world is watching, to the crisis of a breakup or being denounced by fair public opinion at home and abroad. They will surely pay dearly for the crimes which they have committed.

Paper Remarks on Bush's New World Order

SK2002115091 Pyongyang KCNA in English 1019 GMT 20 Feb 91

[Text] Pyongyang February 20 (KCNA)—NODONG SINMUN today comes out with a signed article entitled "'New World Order' Doctrine for World Supremacy." The author of the article says: U.S. President Bush in his speech at a U.S. Marine base on February 1 blared that the United States was "going to build a new world order." He made a similar statement in the annual State of the Union message in late January. The U.S. imperialists' doctrine of "new world order" reveals their shameless ambition to dominate the world. The ultimate purpose of their "new world order" is to block the historical development toward independence and socialism, secure the dominant and monopolistic position of the United States in the world and oppress, exploit and plunder mankind freely. Their fundamental objective in establishing a reactionary "new world order" is to exterminate socialism. The U.S. reactionary circles openly declare that communism must be liquidated for good and all and the socialist countries be absorbed into the "free world." They regard it as another important task in building a "new world order" to bring under control the countries that maintain the anti-imperialist independent stand. The United States mainly relies on strength in realising its ambition for world supremacy. Taking advantage of the collapse of the balance of forces in international relations, the U.S. imperialists behave more arrogantly and commit high-handed invasion and military terrorism without hesitation against sovereign states under the pretext of opposing "aggression" and ensuring "democratic order." Having started the Gulf war recently, they made South Korea declare an "emergency wartime system" with a sinister aim to unleash a war also on the Korean Peninsula under their strategy of multiple retaliation and are staging the adventurous large-scale "Team Spirit 91" joint military maneuvers throughout South Korea by hurling huge U.S. armed forces from the U.S. mainland and the Asia-Pacific region. The "peace stratagem" is a vicious and crafty method employed by the U.S. imperialists in establishing a "new world order", along with the policy of strength. Particularly, the "peaceful transition" strategy is an important component of the U.S. imperialists' world strategy against socialism. The essence of this strategy is to disunite and swing to capitalism the socialist countries ideologically, politically and economically and bring them into the sphere of U.S. domination. The U.S. imperialists buy over and subjugate developing countries economically and force these countries to change the state and social system in favour of their political domination and plunder by the expedient of "aid" and "cooperation." Although they are bluffing on their high horse and running about recklessly, openly seeking world supremacy, this only reveals their vulnerability, not mightiness. Their frantic moves for "a new world order" will only precipitate their own international isolation and destruction.

South's Cry of 'Threat From North' Criticized

SK1802055391 Pyongyang KCNA in English
0530 GMT 18 Feb 91

["What Is Outcry Over "Threat From North" for?"—KCNA headline]

[Text] Pyongyang February 18 (KCNA)—A spokesman of the U.S. Navy recently said that it is the Korean peninsula where a dispute is possible besides the Gulf region, and that the United States should pay attention to the "possible attack by North Korea" when its military concern is directed to otherwhere [as received].

Commenting on this, NODONG SINMUN today says his utterances are a base twaddle intended to undermine the steadfast peaceloving stand of our Republic and its rising international prestige and justifying and embellishing the U.S. imperialists' policy of aggression and war, and ill-boding remarks revealing their sinister intention to start another war of aggression on the Korean peninsula.

The news analyst further says:

Since the outbreak of the Gulf war the U.S. imperialists have intensified still further the false propaganda about "threat from the North" in a bid to step up the new war provocation moves in Korea.

The "Team Spirit 91" nuclear military exercises are for this purpose. Nobody can vouch that the U.S. imperialists would not unleash a new war in Korea while staging this war game.

Owing to the U.S. imperialists and the South Korean authorities the threat from the South, not "threat from the North", is ever increasing on the Korean Peninsula, with the result that dialogue is on the verge of collapse and peace is seriously endangered.

It is quite clear that if the U.S. imperialists ignite a nuclear war in Korea, it will inevitably lead to a global thermo- nuclear war, spreading beyond the boundary of Korea.

The United States must immediately withdraw from South Korea its forces and nuclear weapons that are the main factor of threat to peace on the Korean Peninsula and discontinue the "Team Spirit" joint military manoeuvres.

Kim Il-song Visits Rehabilitated Buddhist Temple

SK1902053791 Pyongyang KCNA in English
0511 GMT 19 Feb 91

[Text] Pyongyang February 18 (KCNA)—Kwangbop Temple, a historic monument, showing the excellent architectural technique and the time-honoured cultural tradition of the Korean people, has been rehabilitated to its original state in Mt. Taesong in the northeastern outskirt of the capital city of Pyongyang.

It was levelled with the ground in a brutal bombing by the U.S. imperialists in July 1952 during the Korean war.

The temple has been rebuilt thanks to the correct policy of the Workers' Party of Korea for preserving the national cultural legacies. One can enter the temple through Haetal Gate and Chonwang Gate. In the centre there is the main sanctuary of the temple flanked by eastern and western Buddhist monasteries.

Standing in front of the main sanctuary is an octagonal five- storeyed yorae pagoda 5.62 metres high.

The main sanctuary is the principal building of the temple.

The sanctuary is a grand and gorgeous building with two-storeyed crane-shaped roof which is decorated in gold painting. Inside the building there is a sakyamuni image flanked with yaksayorae and amitabha on each side where Buddhist worships can be held.

On the background of the Buddhas is a large altar portrait of Buddha showing the ten disciples of sakyamuni, ryukkwang Bodhisattva and the four devas.

The eastern and western Buddhist monasteries and Haetal Gate and Chonwang Gate have been rehabilitated excellently to their original state.

Making a round of the Kwangbop Temple on February 12, the great leader President Kim Il-song noted with great satisfaction that the temple has been well rehabilitated to suit the principle of historicism and the socialist content.

Noting that there are many historical monuments associated with the resourcefulness and talent of the ancestors in Pyongyang, Mt. Kumgang, Mt. Myohyang and other places of the country, he taught that these historical monuments and relics must be well preserved and tended.

There are more than 60 Buddhist temples in the country.

Kim Chong-il Sends Letter to 525th Army Unit

SK2002034891 Pyongyang Domestic Service in Korean 2300 GMT 14 Feb 91

[Text] Dear leader Comrade Kim Chong-il, after receiving and reading a pledged letter from the soldiers and officers of the KPA No. 525 army unit, has sent a personally signed letter to them.

The letter reads:

I wish glory to the revolutionary armed forces, which are loyal to our party.

[Signed] Kim Chong-il

[Dated] 11 Feburary 1991

Vice Premier Kim Yong-nam Visits Mauritius

Meets With Governor-General

SK1602043691 Pyongyang KCNA in English 0420 GMT 16 Feb 91

[Text] Pyongyang February 16 (KCNA)—Governor-general of Mauritius Veerasamy Ringadoo, when he met Kim Yong-nam, vice- premier and foreign minister of the DPRK, on Feb. 11, expressed the hope for Korean reunification.

I deeply respect the great leader his excellency President Kim Il-song, he said, adding: His excellency president is a very strong-willed and intelligent man.

Mauritius supports the Korean people's efforts for national reunification, said prime minister of this country Aneerood Jugnauth that day when he met Kim Yong-nam.

He referred to the development of relations between Mauritius and the DPRK.

Meets Foreign Minister

SK1602044491 Pyongyang KCNA in English 0422 GMT 16 Feb 91

[Text] Pyongyang February 16 (KCNA)—Talks between vice- premier and foreign minister of the DPRK Kim Yong-nam and minister of external affairs and emigration of Mauritius Jean Claude de Lestrac were held in Port Louis on February 11.

They discussed the matter of developing the relations between the two countries and other issues of common concern.

The talks took place in a friendly atmosphere.

Meets Other Officials

SK1702105091 Pyongyang Domestic Service in Korean 1500 GMT 15 Feb 91

[Text] Kim Yong-nam, our country's vice premier and foreign minister, and his entourage on 11 February were invited to a banquet arranged by Jean-Claude L'Estrac, Mauritius minister of external affairs and emigration.

On the same day, the foreign minister met the Mauritius deputy prime minister, who is also minister of industry, and the minister of housing, lands, and the environment, and held talks with them in an amicable atmosphere.

At the talks, the Mauritius deputy prime minister and minister of industry said that Korea made excellent progress after the nation's liberation. He stressed that Korea's philosophy and experience in which it developed its nation through self-reliance are points from which Mauritius should follow and learn.

On 13 February, the foreign minister met the general secretary of the Mauritius Socialist Movement. At the talks, the general secretary stressed that he supports the method of Korea's reunification through a confederal system based on one nation, one state, two systems and two governments.

Kim Yong-nam Talks With Zimbabwean Counterpart

SK1802061791 Pyongyang KCNA in English 0544 GMT 18 Feb 91

[Text] Pyongyang February 18 (KCNA)—Kim Yong-nam, vice- premier and foreign minister on a visit to Zimbabwe, had talks on February 14 with Steven Nkomo, secretary for foreign affairs of the Central Committee of the Zimbabwe African National Union-Patriotic Front and acting foreign minister.

Zimbabwe has consistently supported and will support the Korean people's struggle for national reunification, said Steven Nkomo at the talks.

He expressed full support to the new proposal for reunifying the country by means of confederation based on one nation, one state, two systems and two governments put forward by the great leader President Kim Il-song in his New Year address for this year.

Zimbabwe opposes U.S. continuous introduction of nuclear weapons into South Korea, he stressed.

KCNA Reviews 20 Feb Pyongyang Press

SK2002072191 Pyongyang KCNA in English 0457 GMT 20 Feb 91

[Press review]

[Text] Pyongyang February 20 (KCNA)—NODONG SINMUN today frontpages a solidarity message to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, from Mengistu Haile Mariam, general secretary of the Central Committee of the Workers' Party of Ethiopia, president of the People's Democratic Republic of Ethiopia and commander-in-chief of the revolutionary army, supporting the new proposal for national reunification advanced by him in his New Year address. It reports that solidarity letters came to him from various countries in this connection.

According to the daily, seminars on works of dear Comrade Kim Chong-il were held in Ghana and Tunisia.

Cuban radios and a Rwandan paper published articles lauding Comrade Kim Chong-il, reports the press.

An article of NODONG SINMUN says that Comrade Kim Chong-il put up Kim Kwang-chol, a platoon leader of the Korean People's Army who died in saving soldiers while on combat duty, as the first hero of the '90s.

Highlighted in the press is an account of the 26th national scientific symposium on the chuche idea held in Tokyo on February 17.

Conveyed in NODONG SINMUN are what foreign public figures said in praise of the achievements the Workers' Party of Korea has made by consistently adhering to the lines of the three revolutions, ideological, technical and cultural.

The daily editorially calls for increased production of chemical fertilizers.

The press observes the day (?of machines) builders.

Spotlighted in the press is a statement issued to the press by Kim Yu-sun, chairman of the Olympic Committee of the DPRK, welcoming and supporting the forthcoming formation of unified teams of the North and the South for the 41st World Table Tennis Championships and the 6th World Youth Soccer Championships.

Papers convey the story that Cuban medical workers saved the wife of an official of the DPRK diplomatic mission in Tanzania from a critical condition.

Conveyed in the press are public voices at home and abroad denouncing the "Team Spirit 91" joint military exercises.

NODONG SINMUN refutes the attempt of the U.S. imperialists and the South Korean authorities to cover up the aggressive nature of the "Team Spirit" joint manoeuvres with the veil of "defensive drill".

Papers run commentaries exposing the falsity of the results of the investigation into the case of privileged distribution of housing lot in Suso District published by the investigation department of the South Korean puppet prosecutor's office.

Papers report that the U.S. imperialists are quickly deploying combat equipment for the "Team Spirit 91" in South Korea and openly committing aerial espionage on the area of our side.

Comrade Fidel Castro denounced the military actions of the multinational forces in the Gulf and Iraq's peace proposal was hailed and supported in different countries, says NODONG SINMUN.

The paper carries the gist of an appeal titled "prevent economic bankruptcy and deterioration of people's life!" which was adopted at a plenary meeting of the Central Committee, the Ukrainian Communist Party.

It introduces Niigata of Japan.

Papers carry news of the Gulf war.

NODONG SINMUN comes out with an article laying bare the aggressive nature of the "new world order" doctrine advertised by the U.S. reactionary ruling quarters.

South Korea

Paper Views 'Anti-State Incidents' in North

SK1802121691 Seoul CHUNGANG ILBO in Korean 13 Feb 91 p 8

[By Chon Kuk-hu: "There Are Many Hushed Up Anti-state Incidents Even in North Korea"]

[Text] A recent report by Pyongyang's Korean Central Broadcasting Committee that "antiparty elements have been crushed" means that contrary to its denying the existence of the danger of changes as in East Europe, North Korea is, in fact, faced with a clear and present threat to its system. The report that alluded to a counterrevolutionary plot draws our attention as it is reported to have been directed to none other than Kim Il-song's son Kim Chong- il. According to those who visited North Korea, those who have defected to the South from North Korea, and the government officials, about 15 small and big anti-state incidents have occurred in North Korea since the sixties to protest Kim Il-song's monochromatic ideology, his scheme to hand over power to his son, and food shortages. However, not a single one of these incidents has been reported by North Korea and there is no way of verifying whether these incidents have genuinely taken place or not as North Korea has built a curtain around itself. In the wake of the Korean Central Broacasting Committee's report on the anti-party elements, we try to provide the readers with a picture of what kind of political offenses are being committed against North Korea's system and what kind of dissident incidents have actually taken place in North Korea.

Types of political offenses against North Korea's system are classified into five categories: Acts undertaken in violation of the party's leadership and its monochromatic ideology; acts that run counter to socialist construction; acts that are injurious to the party policies and purity; criticism of policies; and people's riots organized to protest food shortages. Most of the culprits responsible for these offenses in North Korea are to be punished heavily, either with the death penalty or confiscation of property, as they are regarded as counterrevolutionary crimes in North Korea's criminal codes.

Constituting the acts of running counter to the party's leadership built on the monochromatic ideology are criticism of Kim Il-song's history of struggle, remarks slanderous to Kim Il-song's family lineage, acts of destroying all manner of propaganda materials on Kim and his portraits, and remarks slanderous to Kim's teachings, namely all manner of anti-party and counterrevolutionary acts.

The blowing up of a military train in Hwasun, North Hamgyong Province, in late 1987 is reported to have been organized by anti-Kim Chong-il forces. As a result, 120 people were left dead and nearly 5,000 were wounded.

In early May the same year, a large-scale mass uprising protesting forced labor erupted in Pyongyang, leaving about 40 dead or wounded and at around the same time in Sinuiju there was a sniping attempt on Kim Il-song who was returning by special train from his visit to China. The bullet went wide of the mark and killed one of his guards instead. It is reported that five high-ranking North Korean army officers who had gone to China in search of political asylum were involved in this incident.

In particular, it was learned that the "Taesong Democratic Union," an underground anti-Kim Chong-il organization, was detected in the course of investigating bombing attempts in the Mansudae Assembly Hall and other places in 1984.

In addition to these, there occurred other anti-system incidents, such as a small-scale demonstration for democratization in Pyongyang in late January of last year. According to the Heilongjiang radio of China on 28 March, approximately 100 workers of the Hamhung Youth Chemical Plant held a rally to criticize the party's policy, and 60 of them were arrested.

Circulating groundless rumors, blaming the study of the revolutionary history, and neglecting the performance of revolutionary tasks are regarded as running counter to socialist construction.

Forestry workers assaulted a primary-level county party secretary and other cadres, and workers and youths against the Kim Il-song and Kim Chong-il system destroyed a statue of Kim Il-song and a relic site of Kim Chong-suk, Kim Chong-il's mother in North Hamgyong Province and Yanggang Province in April and May 1982, respectively.

It was also learned that in September 1981, workers destroyed a 8,000-ton vessel and railway in Chongjin, and a clash between the regular army of North Korea and the Worker-Peasant Red Guards claimed approximately 500 casualties.

In September 1980, miners who complained about an excessive allotment of work load blew up mining explosives in the Hungnam and Hamhung railway compounds, thus causing hundreds of casualties.

The criticism of a policy is shown by the critical attitude of North Korean economic and working-level officials against the style of economic construction led by the "three revolutions teams" which Kim Chong-il directly commands. North Korea brands these people as "hostile elements," "impure elements," "counterrevolutionary elements," "betrayers of the revolution," "factionalists," and "the enemy colluded with outside forces," and take them for targets of purge.

Choe Hyon, a former partisan who died at the age of 75 on 9 April 1982, maintained intimate relations with Kim Il-song, but was purged because he was critical of the Kim Il-song and Kim Chong-il system. On two occasions, in February and March 1982, he suggested to Kim Il-song that O Chin-u (minister of the People's Armed Forces) and Yim Chun-chu (vice president who died at the age of 76 in April 1988) should be removed from their Politburo posts and that political prisoners should be set free. After this, he was purged.

In 1983, Kim Kyong-nyon, vice prime minister in charge of financial affairs, was purged after he said that Kim Chong-il failed to give priority to economic construction, but wasted money in building edifices symbolizing the idolization of Kim Il-song, (such as the chuche tower and the arch of triumph.)

According to material which a Japanese citizen, who recently visited North Korea, gave to a Japanese news agency, the shortage of food is causing a rapid increase in robbery, plunder, and embezzlement. This shows that the complaints of North Korean residents against the system are erupting as resistance in a sporadic manner.

Official Views North's Closing of Embassies

SK1802122991 Seoul YONHAP in English 1212 GMT 18 Feb 91

[Text] Seoul, Feb. 18 (OANA-YONHAP)—North Korea recently closed three or four embassies in African countries, possibly a shift in its diplomatic emphasis to economic cooperation with Southeast Asia, a government official said Monday.

The embassy closures, however, do not signal breakup of diplomatic ties, the official said. "Such move is more likely a change in policy line away from African nations whose significance is relatively diminishing to an improvement with Southeast Asian nations for the purpose of economic cooperation," the official said.

North Korea is also opening diplomatic offices in some African countries while closing down others, but the shutdowns are in countries which have official ties with both South and North Korea, the official added.

Choe Stresses North's Need for Human Rights

SK1602031491 Seoul HANGYORE SINMUN in Korean 13 Feb 91 p 2

[Text] On 12 February, Choe Ho-chung, vice prime minister and concurrently minister of the unification board, said: "We will raise to North Korea the issue of human rights so that it cannot but change its attitude and seek dialogue and improvement of relations with us. Also, we demand that North Korea provide the compatriots in the North with freedom and welfare to the extent that at least they can enjoy life worthy of human beings."

In his speech at a regular general meeting of the Committee to Push Ahead with the Reunion of 10 Million Separated Family Members held at the auxiliary auditorium of the Sejong Cultural Center on 12 February, Vice Prime Minister Choe further said: "The government intends to change its stand toward reunification and dialogue into a more active and offensive position."

Saying that "no problem concerning North-South relations can be substantially solved with the problem of separated families unsolved," he stressed that "we will continue to emphasize that disregarding the issue of separated families is an antihumanitarian and antinational act which cannot be justified under whatever pretext."

These hard-line remarks, which the vice prime minister made just 10 days before the fourth round of North-South High-Level Talks in Pyongyang, draw attention in connection with the government's strategy toward the talks.

Editorial on North's Suspension of Talks

SK2002001191 Seoul KOREA DAILY in English 20 Feb 91 p 6

[Editorial: "Democracy Key to South-North detente"]

[Text] To laymen, the way the two Korean regimes interact with each other is enigmatic and misleading. This has become more pronounced in recent years as they increased contact and dialogue.

Pyongyang's notice Monday of its intention to suspend the fourth round of the South-North prime ministers' talks slated to open in Pyongyang next week was only the latest example in this series. Nevertheless, it is disappointing indeed. The talks, representing the highest-level dialogue ever held between the intensely competitive regimes, had been described as historic and raised a glimmer of hope about a possible breakthrough in easing the chronic tension.

The reason Pyongyang cited in notifying the Seoul government of its decision was the change brought about on the Korean peninsula by Team Spirit, the annual military exercise staged by combined Korean and American forces in Korea.

The argument obviously is not justified. The yearly event is more than a decade old and has become routine by now. Reflecting the worldwide mood of diminishing cold war polemics, Seoul and Washington have decided to scale down the military drill this year.

The northern regime has not reduced its formidable military power deployed along the 248-km demarcation line dividing the Korean peninsula. So there has been little change in the balance of power on the peninsula.

Viewed in a historical perspective, however, the North Korean move is not hard to understand, nor is it surprising in the eyes of Koreans. The North has used the talks and dialogue mainly to serve political purposes—consolidating political power at home and strengthening its diplomatic stance abroad. Experience in this area also shows that the North has been more interested in events that involve the citizens of both societies, such as sports competitions, than formal talks. This approach also should be understood in the same context.

Analysts link the timing of Pyongyang's move to the current phase of social unrest in Korea underlined by the Suso scandal. The Kim Il-song regime this time around is trying to get the most out of this situation to further consolidate its dictatorial rule.

It is for these reasons that inter-Korea relations have been erratic since the end of the war in 1953. The relationship has been one of animosity and hostility most of the time, while the two sides' links have suddenly changed into incredible brotherly warmth on the surface at others.

When they meet on rare occasions, they shake hands and laugh openly just like intimate friends. They usually begin their talks by cracking jokes to warm up the atmosphere. Speaking the same language, such jokes make sense to both sides.

As late as last week, representatives from the two regimes met at Panmunjom—the truce village in the 248-km Demilitarized Zone dividing the peninsula—to sign an accord that will enable them to field unified Korean teams for future world table tennis and soccer events.

Why is it then that the two cannot get down to the serious business of solving more important issues that keep Seoul and Pyongyang so far apart? The main reason appears to be the lack of democratic institutions in the two parts of Korea, although this situation has improved significantly in recent years in the South.

If a regime is undemocratic and intent on prolonging its rule through all means possible, its concern is not the interests of its people, but those of the political elite. Their interests are served by exploiting political and military tension, as is the case on this peninsula. In the absence of a democratic political process, there is little that people can do to force their leaders to pursue the public's wishes and interests, and not their own. This is precisely what continues to happen in North Korea.

Talk of genuine reconciliation between the two Koreas and their eventual unification will make sense only when democracy is instituted in the North to some degree. The South could help this process in the North by showing an example. Trying to talk to its leaders will not be of much use.

Editorial Urges North To Accept U.S. Conditions

SK1602093091 Seoul CHOSON ILBO in Korean 8 Feb 91 p 3

[Editorial: "Signs of Changes on the Korean Peninsula Are Visible"]

[Text] The situation on the Korean peninsula seems to be showing very delicate changes, although they are not very visible under the cloud created by the lawmakers' scandalous overseas journey on money offered as bribes; by the scandal of art teachers who took money in exchange for illegally admitting students into college; and by the scandalous influence-peddling of the owner of a construction company. The 14th meeting in Beijing between U.S. and North Korean counselor-level diplomats on 4 February can be cited as one of the clear signs of change. These talks that have continued for over two years and several months since the beginning in fall 1988 do not seem to have borne any noteworthy fruit.

However, we still remember that the ambassador-level talks between the United States and China that began in the fifties in Poland's capital city of Warsaw finally paid off in the form of normalized relations in the spring of 1972 after 152 rounds of talks. We believe that today's situation allows for more rapid accomplishment than at that time. Viewed in this light, the contacts between North Korea and Japan may lead to an earlier settlement than the ROK-Japan negotiations for normalizing relation that took 14 years to complete.

For this reason, the vice minister-level talks held in Pyongyang toward the end of January between North Korea and Japan and the just-concluded 14th round of talks in Beijing can be seen as an advance notice of great changes that may come to the Korean peninsula sooner or later. What should we do to cope with such changes?

We call on North Korea to change itself before the arrival of these great changes that are destined to come. We do not mean to say that North Korea should make any humiliating concessions. As an ally of the United States and Japan, with whom we have long maintained friendly relations, mutually respecting the political principle of liberal democracy and the economic principle of free competition, we simply would like to give some useful advice to the North Koreans, our fellow countrymen.

In this context, we find it worth examining the principles that the United States presented to North Korea as conditions for normalizing their relations. The United States wants North Korea, first, to accept inspections of its nuclear facilities by the International Atomic Energy Agency [IAEA]; second, to improve relations with its neighbor to the south; third, to stop slandering the United States; fourth, to repudiate the use of terrorism; fifth, to build confidence between the North and South along the Demilitarized Zone [DMZ]; and, sixth, return the remains of U.S. soldiers killed or missing during the Korean War.

North Korea has nothing to lose by accepting these conditions, not one of them. In practice, North Korea has already accepted one of these conditions, that is to say, the last condition. Although North Korea makes the withdrawal of U.S. troops and nuclear weapons from South Korea a condition for accepting the inspection of nuclear facilities by the IAEA, the United States has already begun dropping hints that it may not only withdraw its nuclear weapons from South Korea, but also scale down the size and frequency of Korea-U.S. joint military exercises, such as Team Spirit.

Even Japan seems to stress the need for North Korea to accept at least two of the U.S. conditions, the first and second, in its negotiations with North Korea for normalizing their relations. Japan urges North Korea to accept the international inspection and to improve relations with South Korea. If the North Korean authorities genuinely hope for peace and prosperity in this region, and ultimately for reunification of the country, they have no justification to refuse to accept such sound conditions raised by the international community.

Unfortunately, however, we have been hearing some ominous news that North Korea is now trying to swim against the tides of detente in the international community. News reports reaching us say that North Korea has deployed Scud B missiles, the same that are notorious in Iraq, in forward areas or that it has reinforced its mobile infantry units and tanks. North Korea is strongly urged to abandon its wild, bloody ambitions for revolution running counter to the trends of the times and instead to join those in the ranks marching toward peace and prosperity in northeast Asia.

Dissidents Allowed To Contact N. Koreans in U.S.

SK1902062991 Seoul YONHAP in English 0539 GMT 19 Feb 91

[Text] Seoul, Feb. 19 (YONHAP)—Two prominent South Korean dissidents have been given permission to contact North Koreans in the United States next month, a National Unification Board spokesman said Tuesday.

Yi Yong-hui, a Hanyang University professor jailed in 1989 under the National Security Law, and the Rev. Pak Hyong-kyu, who was jailed in 1973 for organizing an anti-government rally, will take part in a symposium March 8-10 at University of Berkeley in California. Ko Ki-chun, secretary-general of the North Korean Christians Federation, and two other North Koreans are also to take part.

It is the first time the government has granted dissidents convicted of violating the National Security Law permission to contact North Koreans.

Trade With PRC, East Europe, USSR Increases

SK2002100391 Seoul YONHAP in English 0902 GMT 20 Feb 91

[Text] Seoul, Feb. 20 (YONHAP)—The Trade and Industry Ministry reported Wednesday that trade with China, the Soviet Union and Eastern Europe was worth 5.6 billion U.S. dollars last year, up 34 percent from 1989.

It tallied exports at 2,758 million dollars, up 40.6 percent, and imports at 2,886 million dollars, up 27.6 percent, for a trade deficit of 130 million dollars, down from 300 million dollars.

In overall external trade, the share of the socialist bloc swelled from 3.4 percent to 4.2 percent due to Seoul's persistent efforts to improve relations.

Electronic and electric appliances took 60 percent of exports but textiles and natural resources were the major import items.

Direct trade comprised 82 percent of the economic exchanges with the Soviet Union, up from 58 percent, and 52 percent with China, up from 39 percent.

Trade with China increased 22.4 percent to 3,848 million dollars, the largest sum. Exports climbed 9.9 percent to 1.58 billion dollars, led by synthetic fabrics, leather, paper and raw materials for processing, and imports reached 2,268 million dollars, up 33 percent, headed by bituminous coal, crude oil, petroleum products and cement.

Exports to the Soviet Union jumped 149.5 percent to 519 million dollars but imports dropped 5.6 percent to 370 million dollars, with setbacks for frozen fish and raw cotton.

Color televisions, videotape recorders, cars and textiles led exports to Eastern Europe, which increased 100.4 percent to 541 million dollars, and semi-finished steel products, machinery and agricultural items comprised most of the imports, tallied at 213 million dollars, up 82.1 percent.

istry Reorganization

SK2002041791 Seoul YONHAP in English 0247 GMT 20 Feb 91

[Text] Seoul, Feb. 20 (YONHAP)—A minister in charge of economic affairs will be installed in the South Korean Embassy in Moscow to deal with growing Korea-Soviet economic cooperation.

The step was contained in an amendment to the regulation of the Foreign Ministry reorganization approved by the cabinet Wednesday.

The amendment also authorizes establishment of an embassy in Gambia and the dispatch of 53 foreign service personnel to 12 overseas postings.

Envoy for World Environment Issues Appointed

SK2002123991 Seoul YONHAP in English 1209 GMT 20 Feb 91

[Text] Seoul, Feb. 20 (YONHAP)—The Foreign Ministry is to launch an environmental diplomacy by appointing an ambassador in charge of international negotiations on the issue, ministry officials said Wednesday.

Ambassador-at-large Kwon In-hyok was put in charge of environmental issues, officials said.

First agenda will be close cooperation at the Intergovernmental Panel on Climate Change (IPCC) talks in progress since January. IPCC, scheduled to draw up an agreement by June 1992, aims at restricting output of global warming factors such as carbon dioxide.

Advanced countries are demanding a dramatic reduction in these warming factors, with the European Community and Japan calling for stabilizing carbon dioxide output at 1990 level by the year 2000, ministry officials said.

South Korea and other developing nations are demanding eased restrictions, saying such measures will hurt domestic economic activities.

Report on Interview With Premier No Chae-pong

SK1902031491 Seoul KOREA DAILY in English 19 Feb 91 pp 1, 2

[Text] Prime Minister No Chae-pong says South Korea will try to become a member of the United Nations despite continuing opposition from rival North Korea. South Korea has been unable to join the world body so far because of "the South-North problems," No said.

With the help of its Communist allies, North Korea has opposed separate entry into United Nations by the two Koreas. Pyongyang claims that separate membership in the world body would perpetuate the division of the country.

In an exclusive interview with Korea Daily, No said South Korea has made vast political and economic strides under the administration of President No Tae-u. "Yet, the country is unable to become a full-fledged member of the world community, befitting its national strength, because it is not a UN member," No said.

The interview also touched on a wide range of other topics including a critical food shortage in North Korea, the Gulf War and trade friction between Korea and the United States.

Working on China

With the establishment of relations between South Korea and the Soviet Union, China remains the only powerful ally of North Korea which could block a South Korean bid to enter the United Nations.

South Korea, however, is said to be working on getting China not to oppose Seoul's UN membership. It was reported over the weekend that Seoul hopes to improve relations with Beijing by upgrading the recently opened offices of trade representatives to the consular level.

Asked if South Korea is willing to help alleviate a critical food shortage in North Korea, No said the government wants to help but the North as usual refuses to deal with Seoul directly.

North Korean authorities, needing one million to two million tons of grain to feed their people, were reportedly interested in purchasing South Korean rice through a third party since they are too proud to ask the South directly for food aid. Pyongyang has been telling its people that it is their brethren in the South—not its own citizens—who are starving.

Boosting Exchanges

Seoul has said it was ready to offer rice to North Korea at a lower cost than the prevailing price in the international market, or even for free if Pyongyang asks for it directly.

Instead of seeking South Korean help, however, North Korea sent Prime Minister Yon Hyong-muk to Malaysia and Thailand earlier this month to purchase rice after borrowing money from China.

Despite North Korea's negative approach, No said South Korea bought some 25 million dollars worth of goods from the North last year. "We'll have to try and boost exchanges between the two Koreas in order to find out how the other side lives," No said. That, he added, is the only path to follow for the eventual unification of the country.

No had been scheduled to visit Pyongyang later this month to attend the fourth prime ministers' talks, and prospects for inter-Korea relations improved dramatically in the wake of a North-South agreement last week on sending joint sports teams to compete in international events. But the process suffered a setback Monday when North Korea called off the prime ministers' meeting to protest the annual Korea-U.S. "Team Spirit" military exercise.

Regarding trade friction between Korea and the United States, No said the Americans should not look at the so-called frugality campaign as some sort of import control strategy.

"The campaign is not an attempt to control imports," he said. "These are controls directed against conspicuous or wasteful consumption." He was referring to a public campaign against excessive consumer spending on imported luxury goods. The United States saw the drive as part of an import restriction policy.

"There was a misunderstanding on the part of the United States," the U.S.-educated prime minister said.

No also acknowledged that the trade friction resulted partly from Korean officials' lack of negotiating skills and public relations efforts.

Asked to comment on the possible outcome of the hostilities in the Gulf, the scholar-turned politician said "the destiny of war is never certain," but the government is prepared to readjust its economic policies depending on the progress of the conflict.

No, however, reiterated the government position not to send any Korean combat troops to join the multinational forces in the Gulf.

Referring to criticism that the government was too hasty in establishing relations with the Soviet Union, the prime minister said he disagreed with such an assessment. "It (the establishment of Korean-Soviet ties) came about as an inevitable result of the historical current," he said.

The prime minister said he did not know exactly when Soviet President Mikhail Gorbachev would visit Korea but feels he will eventually do so since the two countries have established relations and President No visited Moscow last year.

No, who had been an adviser to President No for two years before becoming prime minister on Dec. 27, said he isn't a relative of the president although their last name is the same in Chinese characters. "If I were his relative, would they leave me in peace in this position?" he quipped.

Reportage on Suso District Apartment 'Scandal'

Lawmaker: No Tae-u Knew of Scandal

SK1702010291 Seoul THE KOREA TIMES in English 17 Feb 91 p 1

[Text] While the prosecution is moving to interrogate former top presidential staffers to clear up suspicion of their involvement in the Suso apartment scandal, an arrested opposition lawmaker claimed yesterday that President No Tae-u had been briefed about the project twice.

A senior prosecutor said that former chief presidential secretary Hong Song-chol would be called for inquiry soon, along with Yi Yun-taek, former senior secretary for public administration and now government administration minister and his Chongwadae successor Yi Sang-pae. Kim Chong-in, former lawmaker and present senior presidential secretary for economic affairs, who allegedly meddled in the deliberation of a petition by a panel of the Assembly for the project, will also be questioned.

Prosecution investigation will go further on Rep. Kwon No-kap, special assistant for opposition leader Kim Tae-chung, with regard to remarks by Kim's deputy, Rep. Yi Won-pae, that he gave 200 million won (approximately $285,000) to Kwon for expenses of the Party for Peace and Democracy [PPD].

Questioning of the presidential staff will focus on how Chang Pyong-cho came to send an official letter to the Seoul city administration urging it to consider the permission for a housing firm, Hanbo, to build apartments on its construction-banned sites in Suso, southern Seoul, the prosecutor said.

Rep. Kwon said yesterday that the 200 million won had been distributed to party members to defray the year-end expenses in the name of PPD president Kim. But he added that he later gave back the same amount of money to Hanbo through Yi as he came to know that Hanbo was involved in the corruption case.

In his "declaration of conscience," Rep. Yi said that the Hanbo chairman had told him at a Seoul hotel on Jan. 20 that Hong Song-chol, Yi Yun-taek and another No's aide, Chong Ku-yong, who is now controlling the investigation as prosecutor general, are involved in the housing project. "He also told me that President No had been reported about the case twice by his staff," he maintained.

"My conclusion was that the Suso case was the work of Chongwadae though I could not confirm the rumors that the presidential office received several billion won under the pretext of political funds," he claimed. He added that the Hanbo founder looked very encouraged when he said Deputy Prime Minister-Economic Planning Minister Yi Sung-yun, Justice Minister Yi Chong-nam and then Construction Minister Kwon Yong-kak had turned favorable for his business plan after consultation with senior ruling party lawmakers.

Lawmakers, Secretary Face Arrest

SK1602044691 Seoul YONHAP in English 0351 GMT 16 Feb 91

[Text] Seoul, Feb. 16 (OANA-YONHAP)—Five lawmakers and a former presidential secretary face arrest Saturday on charges of bribe-taking in exchange for using their influence on a lucrative housing project in favor of a business group.

The prosecution sought arrest warrants for seven people early Saturday, including five national assemblymen, former Chongwadae [presidential office] secretary for culture and sports and a Construction Ministry official.

Their arrests bring to nine the number of people criminally charged in connection with the Suso District housing scandal in which Hanbo Group Chairman Chong Tae-su allegedly spent some 990 million won (1.38 U.S. million dollars) to lobby politicians and high-level officials. There will not be any more summonses in connection to the case, prosecution officials said, suggesting that they have wrapped up their investigation. The arrests come after two days of overnight questionings since Thursday. The prosecution is to officially announce the results of the probe on Monday.

Chong, already arrested Thursday, allegedly asked them to use their influence to sway the government decision on Suso project so that his company can build and sell apartments to housing cooperatives instead of opening the area for public bidding.

Former presidential secretary Chang Pyong-cho, who resigned Feb. 8, reportedly accepted 260 million won from the Hanbo chairman and pressured the Seoul City Government to rule in favor of Hanbo. He was accused of bribe-taking, but may be further charged with influence peddling, the prosecution said. Prosecutors said they did not find any evidence of involvement by the presidential office or that other high-level officials were also bribed.

The five lawmakers include Reps. O Yong-un, chairman of the National Assembly Construction Committee, Kim Tong-chu, member of the petition review subcommittee and Yi Tae-sop, who introduced the petition filed by housing cooperatives to the committee. The three are from the ruling Democratic Liberal Party.

Other two are Reps. Yi Won-pae, a subcommittee member from the opposition Party for Peace and Democracy [PPD], and Kim Tae-sik, who until recently was the PPD spokesman. Yi is suspected of taking 230 million won from the Hanbo Chairman Chong, the prosecution said. Kim was charged for blackmailing Chong when he was PPD spokesman. The lawmaker received a tip about the Suso housing project and threatened to expose his illegal business activities to the press, the prosecution said.

Rep. Yi Tong-chu was charged with blackmail in addition to bribe-taking. Yi similarly threatened to reveal irregularities involved in Hanbo's land reclamation project, the prosecution said . Yi Kyu-hwang, director of the Construction Ministry's national land planning bureau, also face arrest for allegedly taking 10 million won from the Hanbo chairman.

The prosecution said Chong gave the money to Yi after the director changed the Suso District, a greenbelt zone, into residential area in January last year.

Deputy Premier Yi Sung-yun and three other ruling party members were quizzed Friday on two party officials' meetings last year on the Suso housing project. Rep. Kim Un-hwan, who once claimed that a senior presidential secretary called the Construction Committee Chairman O to "pressure" for a decision favoring Hanbo, was also questioned. Kim later recanted the claim.

The deputy premier and the party members altogether denied there were any outside pressure, the prosecution said.

3 More Officials Face Questioning

SK1602104191 Seoul YONHAP in English 1009 GMT 16 Feb 91

[Text] Seoul, Feb. 16 (YONHAP)—The prosecution is planning to summon three more high-level government officials, including a senior presidential secretary and cabinet minister, for a further probe on the Suso district housing scandal.

An opposition lawmaker Kwon No-kap will also be called in for questioning on a confession from arrested Assemblymen Yi Won-pae that he gave Kwon 200 million won of the money he received in bribes, prosecution officials said.

The prosecution earlier had said they are wrapping up the investigation into the housing scandal without expanding probe into Chongwadae or other high-level officials, but changed its mind from growing accusations that prosecutors are trying to cover up the case, sources said.

On the summons list are Kim Chong-in, senior presidential secretary for economic affairs, Yi Yon-taek, minister of government administration, and Hong Song-chol, former presidential secretary- general. They will be questioned at a different location than the prosecutor general's office in consideration of their social status, sources said.

Five lawmakers, one former presidential secretary, and a Construction Ministry official were whisked away to prison Saturday on charges of taking bribes from Hanbo Group Chairman Chong Tae-su in exchange for using their influence to sway a decision on the housing project in the company's favor.

Rep. Yi Won-pae of the opposition Party for Peace and Democracy [PPD], accused of taking 230 million won from Chong, confessed that he actually received a total of 430 million won but gave 200 million won to his party colleague Kwon No-kap in mid-December. The money reportedly was distributed to PPD lawmakers and officials under party president Kim Tae-chung's name.

Kwon, in a statement, claimed that the money was put into the party purse and used for year-end activities. He also insisted that Kim Tae-jung did not know anything about the money or its source until it was revealed during prosecution investigation.

Prosecution sources on Yi's arrest warrant indicated only 230 million dollars as bribery, saying the rest cannot be considered part of a bribe when officially used as party fund.

Senior Chongwadae Secretary Kim Chong-in will be questioned on the alleged phone call he made to National Assembly Construction Committee Chairman O Yong-un, according to the prosecution. Ruling lawmaker Kim Un-hwan once revealed that Kim called O, saying "a superior official" was personally interested in the Suso district housing project, suggesting the Presidential Office was involved in the scandal.

Government Administration Minister Yi Yon-taek, while serving as a presidential secretary in February last year, reportedly ordered Chang Pyong-cho, then also a Chongwadae aide for culture and sports, to take care of the petition regarding the Suso housing deal. Chang, arrested Saturday, is charged with taking 260 million won from Hanbo chairman and may be further charged with influence peddling.

Prosecution officials said Hong Song-chol will be questioned about the letter sent to the Seoul city government under his name in February last year asking for "discreet decision" on the Suso deal so that the apartments in the district can be reserved for sales to housing cooperatives instead of public bidding.

Opposition Planning 'Street Protests'

SK2002091791 Seoul YONHAP in English 0635 GMT 20 Feb 91

[Text] Seoul, Feb. 20 (YONHAP)—Dissidents and politicians from the minor opposition parties are threatening the government with "street politics" over the Suso housing scandal.

They are planning to take to the street to show their dissatisfaction with the way the prosecution has handled the scandal. Their protests and the ensuing disorder may escalate to a major political crisis if they continue through the coming spring when the nation is expected to experience a seasonal industrial unrest.

Dissidents and students, believing there is a consensus among the public that the government is immoral, are jumping on the scandal as their best shot at revitalizing the student movement and achieving democratization of the nation.

The street protests will be unusual as oppositionists participating in the existing political establishment are forming a common front with student activists and various social organizations.

The ruling Democratic Liberal Party (DLP) and the leading opposition Party for Peace and Democracy (PPD) are both under fire for being involved in the scandal.

Denouncing the prosecution's "deformed investigation" of the scandal, leaders of the splinter Democratic Party and People's Party staged overnight protests in their headquarters Tuesday.

Some 70 people's party officials tried to march from City Hall to the presidential residence Tuesday afternoon, but were stopped by riot troopers. A nationwide petition drive will soon get under way.

The Democratic Party said 300 officials held a silent protest march from City Hall to Chongwadae Wednesday morning and that the party would organize rallies across the country at the weekend.

The party would call the National Assembly into session in cooperation with the PPD so they could invoke the assembly's authority to inspect the government, and, if the DLP refuses to take part, may stage a sit-down protest in parliament, a party spokesman said.

Nineteen dissident professors, clergymen, lawyers and poets demanded in a statement Tuesday that the president step down. "The privileges given to the Hanbo business group and housing cooperatives could not be allowed without President No Tae-u's prior agreement and order," they charged.

They called for a special prosecutor to be appointed to probe Hanbo's secret money, amounting to several tens of billions of won. They insisted the prosecutor general himself might have been involved in the scandal. They also demand that the leading opposition party take political responsibility for accepting money from Hanbo. A PPD lawmaker has admitted he took 200 million won.

Seoul Joint Youth Council, comprising four organizations, said Tuesday it would host a protest rally at Myongdong Roman Catholic Cathedral in Seoul on Saturday afternoon to form a pan-national organization to examine the scandal. The citizens' alliance for economic justice, a watchdog group of scholars and civil rights activists, said it would hold a rally at Pagoda Park the same afternoon.

Urging the assembly to inspect the government and appoint a special prosecutor to get to the truth, an alliance official said his group would hold a public hearing Thursday on housing policy.

The national alliance of student representatives, the nation's largest organization of student activists, said it would shift the focus of a nationwide rally Feb. 25 from anti-war to the Suso scandal, demanding No step down. Influential organizations such as the Korea Trade Union Congress will have similar rallies next week.

Government Announces 4th Amnesty Under No Tae-u

SK2002101191 Seoul YONHAP in English 0935 GMT 20 Feb 91

[Text] Seoul, Feb. 20 (YONHAP)—The government will release or reduce sentence for a total of 1,878 prisoners, including former President Chon Tu-hwan's younger brother, effective Feb. 25, Justice Ministry said Wednesday.

The pardon, however, will not apply to those jailed for making unauthorized visits to North Korea, namely Fr. Mun Kyu-hyon, former lawmaker So Kyong-won and college student Yim Su-kyong, or to those guilty of hard social crimes, the ministry said. A total of 914 people, serving terms for misdemeanors or for public security violations, will be released.

Former Seoul Mayor Yom Po-hyon and ex-head of board of education Choe Yol-kon, both linked to mass corruption under Chon's government, are included in the list. They were released last August on parole and now will automatically be exempted of their remaining prison terms.

The government is to reduce terms for 565 others. Chon's younger brother Chon Kyong-hwan, sentenced to seven years in May 1985 for peddling influence, had his term reduced by half. Yi Chol-hui, a former lawmaker indicted for violating the foreign exchange control law, will also have his original 15-year term reduced, the ministry said. Chon and Yi are likely to be free by year-end, it said.

The government will also free 399 prisoners on parole, including 382 teenage prisoners with good records of penal servitude, according to the ministry. This is the fourth amnesty under President No Tae-u, prompted to mark the third anniversary of his taking office, officials at the ministry said. In consideration of the president-declared war on crime, felonious criminals such as armed robbers were left out of the list, they said.

Prisoners guilty of visiting North Korea without government permission were also left out of the amnesty since there were no special conditions for consideration, they said.

Police To Treat Student Protesters as Criminals

SK1902063291 Seoul YONHAP in English 0533 GMT 19 Feb 91

[Text] Seoul, Feb. 19 (YONHAP)—South Korean police said Tuesday they will no longer be lenient with students who mount violent demonstrations in which police stations and government offices are attacked with fire bombs.

The students would from now on be treated as criminals under the criminal code and under the law on the punishment of violence, violation of which can carry stricter penalty, the chief of national police headquarters said.

So far, police have charged student demonstrators under the law on assembly and demonstration and the law on punishment of fire bomb users, which carry relatively light penalties—up to two years in jail under the first law and up to five years under the second.

Yi Chong-kuk, national police director, told a news conference there was no reason to discriminate between student and non-student criminals. Student attacks on police stations were attempts to weaken public security and create disturbances, activities that should be regarded as violent attempts to overthrow the government, Yi said. The police would arrest all attackers on the spot if possible, and pursue them relentlessly if they fled, he said.

Violent student demonstrations are expected to begin when the spring semester starts in March.

'Economic Slump' Attributed to Failure of Policies

SK1902022391 Seoul THE KOREA TIMES in English 19 Feb 91 p 8

[By assistant economic editor Pak Chang-sok: "ROK Needs To Keep Eye on Post-War Changes"]

[Text] The Gulf war is just a month old. In striking contrast to the downbeat pre-war outlook on the global economy, an upbeat mood has been prevailing. Optimistic signs have been sensed in macroeconomic indicators in major trading countries and market fluctuations.

U.S. wholesale prices edged down 0.1 percent in January while its trade shortfall fell to the lowest level in seven years. The Bush administration said that these developments could translate into an early end to what some economists call a "recession."

In the corresponding period, Japan saw robust exports fueling a sharp rise in its trade surplus, with overseas sales up 16.7 percent over a year ago. Last week, blue chip stocks on Wall Street soared, while the U.S. dollar rose and gold prices fell on the New York Commodity Exchange. Triggering the week's rally was the news of Iraq's conditional offer to pull out of its occupied Kuwait, which buoyed investors' hope for peace.

In particular, drawing public attention is the fall in oil prices. Oil prices slumped to 16.3 dollars per barrel on first reports of the Iraqi withdrawal proposal, the lowest level in seven months for first position contrasts. Some economists forecast a further drop in oil prices.

Contrary to these positive developments in global trade and market, Korea remains in the grip of a steep downturn. Officials have ascribed the slump to external elements, exactly, the eruption of the war. But their explanation is seen as a pretext, sorely lacking justification. In light of economic achievements in other competing countries during wartime, the economic slump in Korea should be attributed largely to internal elements, exactly failure of its economic and trade policies.

Ending a heyday enjoyed in trade for the past decade, Korea started to suffer a current account deficit from last year when it saw a shortfall of 2.05 billion U.S. dollars. The deficit is the first since 1985 and the largest since 1982. The fall in trade surplus with the United State was the prime cause of the aggravation of the balance of international payments. According to statistics available from the Bank of Korea, Korea's trade surplus with the United States dropped as much as 49 percent last year.

By all indications, it is no exaggeration to say that a host of policies the No Tae-u administration has pursued since the Aug. 2 Iraqi invasion of Kuwait were far from what the circumstances demanded. Representative of the government misjudgement was the hasty rise in oil prices, contrary to the falling trend, and reckless increase of public utility rate, which have fanned the price spiral.

Particularly disgusting is the devotion of politicians and government officials to peddling their influence to take huge amounts of bribes from the business community, while the war rages in its full strength. Three National Assemblymen were put behind bars in connection with their alleged junketing and another five Assemblymen landed in prison along with a presidential secretary on suspicion of shady lobbying in a multi-million-dollar land scam. Two top economic policy planners, Deputy Premier Yi Sung-yun, and Kim Chong-in, senior presidential secretary for economic affairs, have been questioned by prosecutors for their alleged involvement in the nation's largest foul game. In short, it is a shame. No doubt, it highlights a dire lack of a sense of responsibility and ethics in the incumbent government leadership.

Now, the world is rapidly changing. Foreign countries have been gearing up for the possible reshaping of the world map, especially in the Arab block after the end of the Gulf war. Signs are evident of the advent of a Pax Americana era, which observers view will create a new world order under tremendous U.S. influence in both political and economic relations.

After the demolition of East-West ideological barriers, hawkish strategists in the United States have already voiced loudly a theory of so-called "mid-intensity conflicts" as one of the tactics for the next few generations, focused on armed conflicts in the Third World.

The response by other countries to the current changes in global politics was prompt. Despite its constitutional obstacles, Japan promised nine billion dollars in additional war cost support and West Germany 5.5 billion dollars. This stems obviously from their intention to have a greater say after the war.

Apart from engaging in the war, oil service construction and engineering companies from advanced nations including the United States have been busy contacting with the Kuwait's for the multibillion-dollar reconstruction of Kuwait's devastated oil wells and petrochemical plants.

Kuwait has about 100 billion dollars in global investment funds that can be quickly tapped to pay for the reconstruction program. To put the emirate back on the map from an oil production point of view, it may take a minimum of 5 billion dollars and several months to two years to restore, depending on how much damage is sustained, experts say.

Needed urgently at the moment is promptly turned eyes to the outside to keep pace with the likely post-war changes. To commit the folly of staying as a frog in the well which cannot see the sea should be avoided at this critical juncture.

Minister Chooses Economic Stability Over Growth

SK1902062091 Seoul YONHAP in English 0510 GMT 19 Feb 91

[Text] Seoul, Feb. 19 (YONHAP)—Economic stability is currently South Korea's most important goal, even above growth and the international balance of payments, Choe Kak-kyu, deputy prime minister and economic planning minister, says.

"It is not a matter of choice, but of balance among the three economic devils," said Choe, who was named the top economic planner Monday. He was chief policy-maker of the ruling Democratic Liberal Party [DLP].

Choe's choice of stability over growth is a surprise because he is a prominent disciple of the "Nam Tok-u school," which played a critical role in promoting an export drive under President Pak Chong-hui in the 1960's and 1970's.

The government, having gone through disputes over which should have priority among economists and policy-makers, now stresses growth rather than distribution (stability) and says a bigger economic pie means bigger profits for bigger shares.

Choe, who under Pak was finance minister, vice economic planning minister, agriculture, forestry and fisheries minister and trade and industry minister, was expected to go along with the growth-first policies of the government.

While chief DLP policy-maker, Choe hardly contradicted his predecessor in deciding economic policy. That man was a follower of growth policy along with Senior Presidential Secretary for Economic Affairs Kim Chong-in.

Industrialists, who naturally support a growth-first policy because it means easy loans, low interest rates and cheap labor, believe the nation's present economic course of strengthening manufacturing and maintaining industrial peace, or quietening labor disputes, will be followed despite Choe's appearance.

Some economists and economic insiders say, however, that it is difficult to see continuity in economic policy and note that each of the three deputy premiers so far appointed by President No Tae-u have veered off in unexpected directions once they were in office.

Those shifts in economic policy, they argue, only deepened economic conflict and deformed the economic order because they were accompanied by skyrocketing consumer prices and rabid real estate speculation.

A bigger concern is how Choe will handle the economic problems he has inherited, such as rising prices, a severe lack of social infrastructure, a labor shortage in manufacturing and sluggish exports. There are also fears that because he belongs to the minor DLP faction headed by Kim Chong-pil his voice will be drowned out by the other economic ministers, who will formulate economic policy.

BOK Reports Deficit in 1990 Current Account

SK1602101191 Seoul YONHAP in English 0912 GMT 16 Feb 91

[Text] Seoul, Feb. 16 (OANA-YONHAP)—South Korea's current account dipped into a deficit last year for the first time since 1985, recording 2.05 billion U.S. dollars in the red, the Bank of Korea (BOK) said Saturday.

Increased oil and petrochemical product prices dug deep into South Korea's purse, worsened by the first trade deficit in four years, according to the central bank analysis.

The figures come after January chalked up the record worst monthly current account deficit of approximately 1.3 trillion won.

South Korea spent a total of 6.386 billion dollars last year buying crude oil, 1.453 billion dollars more than in 1989, BOK said, while import cost for petrochemical products also rose by 1 billion dollars. In all, the government used 2.453 billion dollars more just on oil-related purchases, the analysis said.

The higher cost pushed up import spending 14.6 percent from 1989 to 65.09 billion dollars while export rose only 3 percent to 63.24 billion dollars, resulting in a 1.85 billion dollar trade deficit.

Trade imbalance was most outstanding against Japan, with a 6.1 percent cut in exports compared to 6.4 percent increase in imports . Deficit hit a record high of 5.94 billion dollars last year, according to BOK. Figures were similarly discouraging with the United States where South Korea marked 2.42 billion dollars in red, the bank said.

Account balance in non-trade sectors fell into a minus last year from a plus the year before. Overseas spending by tourists and high royalty payments downed the figures from the 210 million dollar in surplus in 1989 to 490 million dollar in deficit last year, the bank said.

Burma

Khun Sa Remarks on Fight With Wa Army

BK1802014091 Bangkok BANGKOK POST in English 18 Feb 91 p 3

[By Supaphon Kanwirayothin and Subin Khuankaeo]

[text] Ho Mong, Shan State—Drug warlord Khun Sa scoffed at the joint effort by Rangoon and ethnic Wa forces to wipe him out in the escalating battle of Doi Lang, the strategic area linked to the drug trafficking activities of both minority groups.

In an interview with the Bangkok Post at his Muang Tai Army [MTA] head-quarters across the Thai border here last week, Khun Sa was confident that his better-equipped forces with higher morale would soon defeat the Wa army.

Appearing unruffled, Khun Sa said "it doesn't matter" that he is caught between the recently consolidated alliance between the Rangoon military government and the United Wa State Army [UWSA] which is determined to bring him to an end.

"The fighting will not protract because the Wa are running out of everything—troops, ammunitions. With over one thousand deaths they have faced to date, how many more can they afford to lose?" he said.

"No matter how strong the will to fight, what can you do under such desperate circumstances? They have no people behind them, but I do," he said.

Wa leader Ai Hsiao-Hsu, who commands 6,000 troops battling Khun Sa at Doi Lang, announced in northern Shan State last month that "Khun Sa cannot survive" in what loomed as a showdown between the two sides.

According to the Wa leader, the Rangoon military junta is supplying ammunition as well as giving other support, including air raids to assist his forces in the military operations against Khun Sa.

But Khun Sa, wanted by the US government on heroin trafficking charges from an indictment March last year, discounted the extent of support that Rangoon lent to the Wa for this cause.

"Unlike China, the Burmese only pledged verbal support. In those days (when Wa was with the Burma Communist Party) [BCP] the Chinese gave massive help in every aspect, even horse tethers. the Burmese are smart. They would not give anything else other than the black, stinking rice," he said.

Khun Sa nevertheless admitted that Burmese airplanes actually "flew around the Doi Lang battlefield a few days ago just to observe."

A well-informed former member of the BCP movement said the ethnic forces, including the Wa, had only used up one-third of the ammunition that China gave them in generous supply, including the enormous final amount that came shortly before the ethnic's mutiny from the BCP in April last year.

At the same time, the MTA has apparently accelerated the training and recruitment of young fighters, urgently needed to stand by to boost the deployment at the Doi Lang sites.

At the Huo Mong military camp, a few hundred new draftees were undergoing intensive exercises which started at the break of dawn and at times lasted until pitch darkness well after twilight.

Khun Sa himself has constantly been on the move, away from his usual outpost here, including the period prior to this interview when his close aides said, he had gone on "very important mission to give orders himself."

The UWSA, Khun Sa admitted, is the strongest among the five formerly BCP-aligned ethnic groups, with the Kokang ranking next.

A faction based in Kiengtung led by Num Pang, Hso Hten's Shan State Army, and Kachin Independence Army's Fourth Brigade under Mahtu Naw, are such ethnic forces that have "reached a mutual understanding for cooperation" with the Rangoon military which they had fought long and seemingly irreconcilable war for decades.

"They may bring the groups of Hso Hten and the Kokang to fight me," Khun Sa replied to the question of what Rangoon could be up to in the face of Wa's heavy losses.

"The Wa was once a rusty knife sharpened by China. Now they think they are sharp enough to cut everything. Khun Sa is like a tree—small when first planted, but now big and deeply rooted. The felling of this tree is not all that easy," he said.

Khun Sa 'Forced' To Join Logging Deal

BK1602011791 Bangkok THE NATION in English 16 Feb 91 p A4

[By Kim Gooi]

[Text] Homong, Shan State—Reputed opium warlord Khun Sa claims he is being forced to take part in a three-way government deal to destroy the last major teak forest in Southeast Asia, located in Burma's Shan State.

The result of the deal has damaged the environment of the once pristine state. It has also brought unprecedented wealth and development to the impoverished but resource-rich land. People are coming in droves to Homong, drawn by its wealth and the security provided by Khun Sa.

Homong, Khun Sa's headquarters, is situated 16 kilometres from the Thai border and straddles one of the most inaccessible mountainous areas of the region.

Preferring to be called a Shan nationalist and freedom fighter rather than by some of the more notorious titles the world has given him, Khun Sa, in an interview last month, angrily rejected the charge made against him by the US Drug Enforcement Adminsitration that he is the world's number one heroin trafficker.

The leader of the Mong Tai army claimed he does not deal in opium or heroin, but simply taxes the illicit goods as they pass through the area he controls in Shan State.

But some sources say there there are six heroin factories on the Burmese side of the border under his control.

In a video-taped message he sent to US President George Bush last year, Khun Sa invited narcotics agents to come to his territory and see for themselves.

The video also shows miles and miles of teak forests, the last in the world, being cut down by Thai timber companies. Khun Sa explained to Bush in the video that because of the deals Thai logging companies had signed with the Rangoon military regime, the Shan people had no hoice but to cooperate and allow the "rape" of their forests.

The message was that to go against the Thai companies would be courting the same fate as the Karen ethnic rebels. The Karens' refusal to cooperate cost them the loss of most of their bases when Thailand allowed its territory to be used by the Burmese army as a springboard to attack the rebels.

According to sources in the region, seven Thai timber companies are denuding surrounding forests of valuable teak logs. Profits are split three ways—the Burmese government, Khun Sa and the timber merchants, they say. The timber companies have built three roads into the rugged mountains of Khun Sa's domain around Homong.

The logging has transformed his once drab military camp into a thriving boom town. Along the timber roads travel pickup trucks laden with Thai consumer goods, mule caravans, traders and settlers from the interior. From Burma come antiques, handicrafts, gem stones, jade and cattle for the hungry Thai market.

Taxes are collected—Bt [baht] 500 per head for cattle and Bt600 for a buffalo. A registration fee of Bt300 is levied on each basketload of raw jade and another 5 percent is charged on the value when it is sold in Thailand. Most of the jade is sold to a company belonging to Khun Sa in Chiang Mai.

The amount of taxes collected per month exceeds US$500,000 (Bt12.5 million), according to an officer of Khun Sa. It is not known how much of that is from opium and heroin, most of which comes from northern Shan State, the Kokang Area and Wa State, the officer said.

The officer claimed that taxes from drugs and the revenue from timber make up the vast majority of Khun Sa's income. The total collected amounts to several million dollars per month, he said.

Homong is now a prosperous town. There are 9 schools providing free education, a 100-bed hospital with three doctors, a Buddhist monastery that reportedly cost Bt1 million, a recreation park and a new market opened last March. Over 50 houses in the market square were given free to officers of the Mong Tai army.

Elsewhere Khun Sa has built 100 houses for his officers. Young recuits, some barely 10 years old, are flocking into Homong. After six months of training, the boys are sent to military schools until they are 16 when they are elibibly for frontline combat.

The strength of the Shan army has reached 20,000 fully armed combatants, from 16,000 six months ago, Khun Sa said.

According to one senior officer, the army also is getting access to sophisticated weaponry.

"We have our own armoury making mortar, recoiless rifles, hand grenades, mines and various kinds of shells. We need only to buy small arms like M-16s, AK-47s, sub-machine guns and SAM-7 missiles," he said, adding that it was easy to buy the missiles at the Afghanistan border for $36,000 apiece.

The population of Homong has grown to 4,000 since it was carved out of virgin mountain territory in 1985. Its name has spread far into Shan State and settlers are still coming, some trekking a whole month to get there.

They are given free land to cultivate, seedlings to last a year, a pair of buffaloes and materials to built their houses. To the long-suffering Shan peasants, downtrodden and subjected to Burmese army brutality, coming to Khun Sa's Homong is like entering a new world.

Forty five-year-old Kawe came with his wife, Nang On, 41, and five children from Hsipaw in northern Shan State five years ago.

"Back in my old village we were kicked around like animals by the Burmese military," said Kawe. "They press-ganged us into carrying ammunition to the frontline and forced us to sell our produce at cut-rate prices. When we first came here we could hardly believe it; this is a land of promise."

Khun Sa Requests 'Donations' for Interviews

BK1602015991 Bangkok THE NATION in English 16 Feb 91 p A4

[By Kim Gooi]

[Text] Homong, Shan State—Opium warlord Khun Sa, feeling that many Western journalists have made too much money from their coverage on him, recently issued a demand for "donations" from media representatives wishing to interview him or enter territory under his control.

Under a regulation issued by Khun Sa's Mong Tai Army, journalists are required to pay Bt [baht] 50,000 and electronic newsmen Bt250,000 ahead of their trips to his headquarters opposite northern Thailand. The money has to be paid to Khun Sa's representative office in Mae Hong Son.

The new regulation was announced in a release issued on Jan 1 by the Foreign Department of the Shan State Restoration Council and its Coordination Committee for Human Rights.

"The donation cheques or cash must be deposited or handed in to the Mae Hong Son office," it said.

It said the amounts contributed are open to negotiation for crews doing documentary films.

The money, it said, will cover expenses incurred during the visitors' trips to the Shan-controlled area.

Accusing journalists of making money off the Shan people, the release said "in the past newspeople made money and nothing was given back for the welfare of Shan State and Shan people.

"There are no exceptions to this rule. All news and video people must abide by it by giving donations," the regulation said.

Foreign journalists in Bangkok said they were surprised by the new regulation.

Some described the move as a way to distinguish employed journalists from freelancers who did make a lot of money selling stories or films about the drug kingpin and his Shan army.

But they insisted that they would not pay to see Khun Sa.

A Thai official, who asked not to be named, said he believed Khun Sa's move stemmed from security concerns. "The demand (for donations) will, in a way, help him screen those who want to see him," said the official who monitors drug trafficking in the area.

The Shan State Restoration Council, the decision-making body of Khun Sa's army, identified the following areas which it said will be open to media coverage: interviews with Khun Sa; logging activities; military training; monasteries, hospitals, markets, taxation and immigration offices, etc.

Kachin Leader Denies Drug Deal Allegations

BK2002022791 Bangkok THE NATION in English 20 Feb 91 p A5

[By Yindi Loetcharoenchok]

[Text] Manerplaw, Burma—Kachin State one of the two poppy growing areas in northern Burma is expected to harvest about 27.2 tonnes of raw opium for the 1990-91 season.

The figure was provided by Brang Seng, the leader of an armed ethnic Kachin resistance group, who during a recent interview with The Nation, strongly rejected Western allegations that his organization has supported or was involved in the lucrative drug trade.

Brang Seng, chairman of the Kachin Independence Organization (KIO) which is allied to 20 other antigovernment dissident movements in the Democratic Alliance of Burma (DAB), estimated that 27.2 tonnes of opium will be produced this year, a slight increase over the 1989-90 figure of 21.68 tonnes.

According to the US Drug Enforcement Administration, Burma is expected to produce about 1,700 tonnes of opium in the 1990-91 harvest, an increase of 1,500 tonnes compared to the previous year. While Rangoon has rejected all these figures, it however, cannot provide its own estimate, saying the rugged mountainous terrain is inaccessible to Burmese authorities, and that the people are smart enough to grow the plant in small plots of land merging with other crops.

For the 1990-91 harvest season, the eastern division of the Kachin State is expected to produce 6,000 vis (Burmese measurement) of opium (9,600 kgs), the Sadon special township area near the Chinese border about 3,000 vis (4,800 kgs) and the southern division in northern Shan State about 8,000 vis (12,800 kgs).

The figures are calculated based on KIO's initial surveys and the prediction of good climate with no rainfall before the harvest, between March and April, he said.

The 60-year-old leader, who was once denied an entry visa by the United States allegedly for his involvement in drug trade, maintained that the opium poppy cultivation was carried out by displaced villagers, who use the drug as traditional herbal medicine and as well as dope for their beasts of burden such as mules and elephants.

The KIO had no policy to thrive economically on the narcotic business nor supported the cultivation of the poppy. Instead, it has since 1964 implemented a programme to eradicate opium cultivation and drug addicts from Kachin, State, which as cleared the western and northern parts of poppy plantation, he claimed.

"It is totally untrue that I or the KIO deal in drugs. In fact we have introduced a programme to eradicate opium since 1964,": he said.

"Since then, the cultivation of poppy in northern and western Kachin land has ceased totally," he claimed, adding that currently only three areas in eastern and southern parts of the state still cultivate poppy fields.

He estimated that only "about 2,000 villagers, mainly Chinese or other ethnic nationals," are still involved in the poppy growing in three remote jungle highlands as a result of being "driven out of their own farmlands in lowland Kachin by Burmese troops."

The KIO claimed it has tried to discourage the growing of poppy and has imposed heavy taxations on opium growers as well as traders. Moreover, unless the villages obtained a permit, they are not allowed to grow the plant, according to Brang Seng.

"Unless they get a permit, they will be heavily fined. And this is how we get detailed reports," on how many persons are involved and how many "lalam (Kachin measurement: 1 Lalam equals 2 yards)" are under poppy cultivation, he said.

At least three kinds of taxation are imposed on villagers—land permission, land clearing and harvesting taxes, he said.

He also claimed that there are no heroin laboratories in Kachin State, which covers an area of 48,038 sq miles with a population of about 2.5 million and that the raw opium is normally purchased and transported down to the Kokang and Wa areas in the Shan State where it is transformed into heroin at the refineries in the area.

The Kachin leader, meanwhile, expressed his concern over the rapid increase in the number of young opium addicts in Kachin State. "Year by year we find that more and more youngsters are getting addicted to the drug... In the last three years hundreds of them arrived at our camp to undergo rehabilitation," he said.

He claimed that all opium poppy fields in Kachin State would be wiped out within three years if the civil war in Burma ended and when genuine peace returned to the country.

Brunei, Malaysia & Singapore

Malaysia

Ministry Urges UN To Examine Iraqi Offer

BK2002090691 Kuala Lumpur International Service in English 0800 GMT 20 Feb 91

[Text] In Kuala Lumpur, Malaysia has called on the UN Security Council to carefully examine the Iraqi offer to withdraw from Kuwait. Foreign Ministry statement said the Security Council should not allow the natural position of government toward the overture to prevent it from responding with its own initiative. It is the responsibility of the council to examine all possibilities that might offer an end to the Gulf war and any opportunity for peace.

The statement said Malaysia considers the reform by the Iraqi Resolutionary Command Council last Friday as a fresh opening for intensified diplomatic effort. Foreign Ministry also said Malaysia believed it is now an opportunity for the council to instruct the UN secretary general to reactivate and intensify all diplomatic efforts.

Sabah Seeks Mended Ties With Federal Government

BK1802124091 Kuala Lumpur NEW SUNDAY TIMES in English 17 Feb 91 p 4

[Excerpt] Kota Kinabalu, Sat. [Saturday, 16 February] —Sabah Chief Minister Datuk Sri Joseph Pairin Kitingan says his government is seeking ways to restore cordial relations with the federal government tarnished following the withdrawal of Parti Bersatu Sabah (PBS) from the Barisan Nasional (BN).

In an interview carried in a just-published book, *PBS Keluar Membela Marwah*, Datuk Sri Pairin claims that the state government is being subjected to pressure from the federal government because of his determined efforts to "champion the cause of the people of Sabah."

He claims that pressure after pressure had been put on his government to "avenge" the PBS withdrawal from the BN.

He describes these so-called pressures as action to punish the people of Sabah for continuing to support the PBS in spite of its withdrawal from the BN before the general election in October last year.

Datuk Sri Pairin cites the pressures as detention of PBS leaders and his assistants under the Internal Security Act (ISA) and branding PBS leaders as being corrupted, racist, and religious extremists.

He says the accusations against him are also a form of pressure. Datuk Pairin is facing corruption charges.

Datuk Sri Pairin says he is confident the support of the people of Sabah for him and the PBS will not wane even though he is facing prosecution.

He says he believes that the pressures will eventually ease and this year the federal-state relationship will begin to improve.

The interview was held last month, three days after Datuk Sri Pairin was charged in court for corrupt practices. [passage omitted]

South Korea Welcomes East Asia Trade Bloc

BK2002100691 Kuala Lumpur International Service in English 0800 GMT 20 Feb 91

[Text] South Korea has welcomed Malaysia's proposal for the formation of an East Asia Economic Grouping, EAEG. Its ambassador to Malaysia Mr. Hong Sun-yong has said the proposal has worked (?to feeling) as it would promote its global and regional trade if it is consistent with the General Agreement on Tariffs and Trade, GATT. East Asian countries he said, need certain groupings to improve regional trade and regional peace. The ambassador was replying to questions after delivering a talk on Korea and Malaysia in the world community held in Petaling Jaya.

The proposed EAEG which has so far been endorsed by the six ASEAN member nations is aimed at enabling East Asian countries to plan trade program that would widen markets and improve relations among members. Mr. Hong said he would be seeking a briefing from the Malaysian Foreign Ministry on the proposal.

In his address, he said the region shares the aspiration for growing and if the East Asian countries were organized into a grouping, it will be a grouping of growing economy.

Air Link Discussions With Hungary Announced

BK1902152491 Kuala Lumpur Domestic Service in English 1330 GMT 19 Feb 91

[Text] Hungary may become the first East European country to establish an air link with Malaysia. The deputy transport minister, Datin Paduka Zaleha Ismail, said both countries had agreed to hold discussions on air services agreement.

She was speaking to reporters after receiving Hungary's Deputy Foreign Minister Tamas Katona at her office in Kuala Lumpur. She said Malaysia already had air services agreements with three East European countries—Romania, Poland, and Czechoslovakia—but none of them have established air services to Malaysia.

She said Hungary had also proposed the formation of a joint venture with companies in Malaysia to produce railway coaches, locomotives, and spare parts for domestic as well as export markets. Datin Paduka Zaleha said both countries had established firm cooperation in railway services. The Malay Railway bought 40 coaches from Hungary for its rail bus service.

Cambodia

Chea Soth Visits SRV Embassy on Tet New Year

BK1602062191 Phnom Penh SPK in English 0439 GMT 16 Feb 91

[Text] Phnom Penh SPK Feb. 16—A party, government and front delegation of the State of Cambodia led by Chea Soth, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and vice chairman of the Council of Ministers, called on the Vietnamese Embassy in Phnom Penh on the occasion of "Tet", its traditional new year festival.

During chats with diplomats and staff members of the Vietnamese Embassy, Vice Chairman Chea Soth recalled the fine tradition of militant solidarity and friendship between the Cambodian and Vietnamese peoples who fought in the same trenches against French colonialism and U.S. imperialism for national liberation of their respective countries.

The Cambodian leader expressed profound thanks to the party, government and people of Vietnam for their moral support and material assistance to the party, government and people of Cambodia to defend and rebuild their country, especially to prevent the recurrence of the genocidal Pol Pot regime.

He said that all the achievements recorded by the State of Cambodia were inseparable from the precious and timely support and assistance of Vietnam and other friendly countries as well as the international humanitarian organizations.

In his reply, Vietnamese ambassador Ngo Dien thanked the party and government of the State of Cambodia for having facilitated him and his staff member to fulfill their mission here. He wished the militant solidarity and fraternal friendship between the parties, governments and peoples of the two countries further development in the interest of the two people.

On behalf of the CPV [Communist Party of Vietnam], the government and people of Vietnam, the ambassador expressed full support for all efforts deployed by the State of Cambodia in the process of a political solution to the Cambodian problem.

For the same purpose, delegations from different ministries and public services also paid visit to the Vietnamese Embassy.

Bou Thang Greets SRV Counterpart on New Year

BK1602102091 Phnom Penh Domestic Service in Cambodian 1300 GMT 15 Feb 91

[Text] Comrade Bou Thang, member of the party Central Committee Political Bureau and chief of the General Political Department of the Cambodian People's Armed Forces [CPAF], conveyed a message of greetings to Comrade General Nguyen Quyet, member of the Secretariat of the Communist Party of Vietnam [CPA] and chief of the General Political Department of the Vietnamese People's Army [VPA], on the occasion of the Vietnamese people's new year.

The message read: On behalf of the cadres undertaking the party and political works and the cadres and combatants of the CPAF General Political Department and in my own name, I am extremely pleased to present best wishes to you and your family. May you have the best of health, longevity, happiness, and every success in the implementation of your current task. Through you I would like to wish the cadres carrying out the party and political works of the VPA and the cadres and combatants, male and female alike, of the brotherly VPA General Political Department good health, zealous physical strength, and great successes in the implementation of every task entrusted by the party and people.

Increased Trade With SRV 1991-95 Agreed Upon

BK2002083091 Phnom Penh SPK in English 0420 GMT 20 Feb 91

[Text] Phnom Penh SPK February 20—The volume of trade between Cambodia and Vietnam will be augmented under an economic and trade cooperationn agreement for 1991-95 period signed in Hanoi, Vietnam, on Jan. 28, 1991, by the trade ministries of the two countries.

In the first year of the cooperation, Cambodia will export to Vietnam 20,000 cubic meters of timber, 3,000 [metric] tons of soybeans, 500 tons of green bean, 4,000 tons of maize, 300 tons of F-1 tobacco leaves, 3,000 car and truck tyres. Cambodia will also sell Vietnam other products totally worth 650,000 U.S. dollars.

In return, Vietnam will send back to its Cambodian partner 15,000 tons of cement, 1,000,000 meters of cloth, 1,000,000 meters of mosquito-netting. Besides, Vietnam will export to Cambodia 800,000 U.S. dollars worth of farming machinery and other products.

In 1990, the bilateral economic and trade cooperation of the two countries met with satisfactory results.

Review of Phnom Penh Army Activites 1990, 1991

BK2002025791 Bangkok BANGKOK POST in English 20 Feb 91 p 5

[Article by Jacques Bekaert under the rubric "Cambodian Diary" and headlined "Phnom Penh Army Sets New Tasks for 1991"]

[Text] After praising the "marked achievements" of the Cambodian People's Armed Forces (CPAF) in 1990, Mr Chea Sim told the participants of a recent seminar in Phnom Penh to review the activities of the CPAF during the past year and "set new tasks" for 1991. The CPAF "must make the most of their spirit to defend the gains of the revolutions, the party and the new regime," he said.

Chea Sim's words offer a pretty good resume of the present position of the State of Cambodia when it comes to peace negotiations. Mr Chea Sim's appeal for stricter enforcement of the 1989 law on conscription will be seen by many observers as yet another example of the regime's determination to keep on fighting.

The Sihanoukist resistance, in a communique released on February 14, claimed that Phnom Penh's goal is simply to "wipe out the resistance forces in their liberated zones in Central and Western Cambodia" and then "dismantle the Perm Five document and block the peace process."

The Phnom Penh side, of course, denounced the "dark schemes and subversive activities of the enemy who still enjoy military and financial assistance from certain foreign countries," as Mr Chea Sim phrased it.

There is a certain unanimity among the Perm Five—the USA, France, Great Britain, the Soviet Union and China—that for the moment the main obstacle comes from Phnom Penh and maybe Hanoi. French delegates who went with Ms Edwige Avice and Indonesian Foreign Minister Ali Alatas to Hanoi recently found Mr Nguyen Co Thach "uncompromissing." It takes the unshakable and commendable optimism of Mr Gareth Evans, the Australian Foregin Minister, to believe that the Hanoi visit was very positive.

It maybe more useful to ask Phnom Penh to be more precise in its objection to the Perm Five document and to propose clear alternatives. Last December in Paris, French and Indonesian officials were disturbed by the lack of precision of Phnom Penh 's complaint toward the Perm Five document. It prompted Mr Raffiuddin Ahmad, the UN deputy secretary general, to send an "explanatory note" to Phnom Penh regarding the disarmament of troops. While China is extremely reluctant to see further discussions and explanations of the Perm Five document, other members of the group says they are willing to discuss. "The most important (thing) is not to let the document and the peace effort die," one Soviet official said.

Sources from other countries, including Australia, said that they will not do anything that could endanger the Perm Five action toward peace in Cambodia.

In Washington's view, Phnom Penh and Hanoi's resistance to the Perm Five plan is part of a long bargaining procedure. This is the beginning of the process, not the end of it, said some American officials. It is thus important to continue with the Perm Five efforts.

One of the effects of this slow process is that the war goes on; during the past two weeks it has gained some momentum in central Cambodia. Very few people, however, believe that the Khmer Rouge are about to take over Battambang. In January 1990, Khmer Rouge radio declared that Battambang had been set ablaze. A few Khmer Rouge soldiers did penetrate the suburbs of the town for a few hours but the city was never in danger of falling.

There is again some action near Battambang, although not all the noise may come from the Khmer Rouge. There are unconfirmed reports which claim that there was a rebellion among government troops, from which the Khmer Rouge probably benefited.

The fighting in Kompong Thom is probably more serious. It was confirmed by the resistance and Phnom Penh, although they disagree on the figures of troops and losses suffered. The three factions of the resistance have relatively strong presence in Kompong Thom, especially the Sihanoukist National Army for Independent Cambodia (ANKI).

Ever since the first capture of Staung, last April, and the brief Sihanoukist incursion in the provincial capital on

June 17, 1990. Phnom Penh has been anxious to dislodge the nationalist resistance from its positions. So far it has failed, and it is too early to make a reliable assessment of the latest offensive by the CPAF. A lot of heavy artillery was used by the Phnom Penh side, forcing the resistance to withdraw partially from certain areas.

A few weeks ago, CPAF and other officials in Phnom Penh were still insisting that in order to favour the peace process, the government of the State of Cambodia (SOC) would refrain from any offensive action and, in the words of Lt Gen Ke Kimyan, the CPAF chief of staff, "only react to enemy attack."

What is taking place in Kompong Thom—and to a lesser extent in Siem Reap—resembles much a plain offensive. Neither the KPNLF [Khmer People's National Liberation Front] nor the ANKI (and even less so the Khmer Rouge) have much interest in big battles. I don't know whether the Sihanoukists' recent claims that the non-communist resistance is "demobilising part of its armed forces" are accurate. During a recent visit to a Sihanoukist zone in Odder Meanchey we found ANKI personnel and Prince Norodom Ranariddh himself more concerned with civilian development—for which some funds are available—than with war, for which external supporting is shrinking.

Finally, the changes brought by Phnom Penh to the composition of its delegates to the Supreme National Council, while seen negatively by the resistance, could also indicate that the People's Revolutionary party of Kampuchea (PRPK) still believes the SNC could sooner or later play a serious role. Otherwise, why bother?

Although Phnom Penh radio claimed that Kong Sam Ol, Chem Snguon and General Sin Song were relieved of their SNC duty at their own request, it is possible that Phnom Penh was not entirely satisfied with their performance in Paris last Decmeber. Earlier in June Mr Chea Sim had complained that the selection of people appointed by prime Minister Hun Sen to the SNC did not fully reflect the various points of view within the PRPK.

Among the new members, Mr Dit Munty, the former first deputy foreign minister who spent the Pol Pot years doing hard labour in Kompong Cham, is a very articulate, soft spoken, intelligent man. Mr Im Chhunlim, like Dit Munty, is a full member of the PRPK Central Committee. He was a teacher before the Khmer Rouge victory of 1975 and is now deputy chef de cabinet of the Central Committee. Maj Gen Sin Sen, said to be close to Mr Chea Sim, is the deputy interior minister, and an alternate member of the Central Committee.

The Interior Ministry plays a growing role in national defence, partly due to the quality of its special military police unit, A3, considered to be more reliable and better trained than regular CPAF forces.

Phnom Penh: Resistance Opposes Reconstruction

BK1902111991 Phnom Penh Domestic Service in Cambodian 1300 GMT 18 Feb 91

[Station commentary: "Another Facet of the Cambodian Opposition Party's Nature"]

[Text] Last week in Bangkok, His Excellency Chatchai Chunhawan, prime minister of the Kingdom of Thailand, held separate talks with the opposing Cambodian parties. At the meeting the Thai prime minister proposed the establishment of a working group of the Supreme National Council [SNC] with the participation of the delegates from the two Cambodian sides, with a view to starting the work of repairing roads, railroads, and airports as soon as possible. He stressed that the working group can be composed of the SNC members or people from the outside and will not deal with political matters.

This is an appropriate initiative that the Cambodian people all over the country wish to enthusiastically welcome and support.

Everyone knows that with a war lasting over 20 years, particularly during the genocidal Pol Pot regime, the communication infrastructure in Cambodia has seriously deteriorated, making liaison between localities difficult, and that over the past 12 years only the State of Cambodia has paid attention to repairing and restoring roads, bridges, railway tracks, airports, and ports for serving our people's livelihood. However, not only have the Pol Pot clique and its allies not assisted in restoring and maintaining the bridges, sewage pipelines, and railway tracks, but they have destroyed them with mines instead. And they have continued to lay armed ambushes against trucks and trains in the jungle as well. That being the case, our communication networks have so far been faced with serious problems.

We are of the opinion that if His Excellency Chatchai Chunhawan's initiative is accepted by the Cambodian parties, this will certainly provide multifarious advantages to the Cambodian nation. However, it is very regrettable that the tripartite coalition—whose backbone is Pol Pot, and which has already listened to the Thai prime minister's statement clearly saying that if a political solution is not yet reached, attention should all the same be focused on the reconstruction—has hesitated to accept the idea but has raised conditions to it instead.

People still remember well that Sihanouk and Son Sann have boasted that they are the 100 percent patriots who are thinking of the Cambodian people's interests and feeling pity for the people. Nevertheless, when the idea of creating a working group for rebuilding the infrastructure for the benefit of the Cambodian people was put forth, they employed political conditions to obstruct it. This is their bogus deceitful patriotism. Everyone knows their wicked intention; their only final goal is to depose the State of Cambodia and return the genocidal Pol Pot regime to slaughtering and decimating the Cambodian nation and people.

We wish to make clear that the setting up of the working group for restoring Cambodia is not for any particular party at all, but for the interests of the Cambodian people as a whole. The construction of roads, bridges, railroads, airports, and ports could also be a preparation for facilitating the task to be carried out by the UN mission in Cambodia in case a political solution is reached.

In the past, the United Nations sent its fact-finding teams to Cambodia to conduct a survey on the issue. As such, the fact that the Polpotist gang and its allies have raised this or that condition is not only designed to hamper the communication system which is serving the daily life of the people, but also to hinder the verification of implementation of the UN agreement on a comprehensive political settlement as well. This is the Polpotist gang and its backers' conspiracy to create problems with the aim of providing favorable conditions for the Polpotist clique to secretly stockpile in the jungle troops and armaments that cannot be verified. Moreover, the Cambodian opposition group's demand for the establishment of the working group after an agreement on a comprehensive settlement is achieved is nothing but an attempt to prolong the suffering and misery of the Cambodian people.

After meeting the Thai prime minister, Sihanouk and Son Sann's factions have reportedly announced their agreement with the initiative. However, when the party of Democratic Kampuchea has raised conditions they have repeated whatever Pol Pot has said and imposed the conditions of the bloodthirsty Polpotist gang. This shows that both the Sihanoukist and Sonsannian sides are not in the least independent and remain always as before. This means that they remain under the Polpotist gang's influence, to be Pol Pot's satellites, and to follow the Polpotist clique's policy.

People still remember that in early June 1990 Sihanouk and Son Sann agreed to the Tokyo joint statement signed by Comrade Hun Sen and Sihanouk himself. However, when Pol Pot refused to recognize the statement, Sihanouk and Son Sann then announced they were not responsible for implementation of the joint statement.

The Cambodian people and the world community have understood that over the past 12 years the Polpotist, Sihanoukist, and Sonsannian factions have been notorious for their destructive activities. So, the restoration and reconstution of the country is not in line with their conception, no ifs, ands, or buts about it. We wish to emphasize that the process of the working group initiated by His Excellency Chatchai Chunhawan will create mutual understanding and trust between the Cambodian parties because the group members will work for the sake of the nation's interest.

By all means, only those who object to the Cambodian people's survival and who intend to bring back the genocidal regime to again butcher the people are opposed to the fine initiative. This is the Cambodian opposition group's nature. The Cambodian people and history vehemently denounce this insane action.

Chea Sim Addresses National Council Meeting

BK2002084291 Phnom Penh SPK in English 0423 GMT 20 Feb 91

[Text] Phnom Penh SPK February 20—"Under the correct leadership of the People's Revolutionary Party of Cambodia, through the mass movement and thanks to the solidarity around the front at all levels, the people's armed forces and the population of Cambodia are capable to assume the task of national defence by themselves and have successively undermined the attempts of the three Khmer opposition factions to topple the State of Cambodia by military means, especially following the complete withdrawal of the Vietnamese volunteers from Cambodia."

This was stated by Chea Sim, chairman of the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland, in his address to the year-end meeting of the front National Council opened here on Feb. 18 to review the front activities in 1990 and work out new tasks for the years to come.

Chea Sim, who is also Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and chairman of the National Assembly, acclaimed the achievements recorded by the front of all levels in 1990 in consolidating the localities, broadening the front network and strengthening the armed forces and the struggle against the enemy. He highly valued in particular, the contributions of Buddhist monks to the public service, which, he said, according to the report at the meeting, collected more than 51 million riels (Cambodian currency) for the frontline and the rear.

"The front National Council and the people of Cambodia," Chairman Chea Sim further said, "warmly appreciate the active contributions of the international community to the search for a political solution to the Cambodian conflict.

"The Cambodian people always hold a realistic position based on peaceful negotiations to solve the problem of peace and the national reconciliation and to put an end to the war dragged by Polpotists and their allies. We do not have any intention to unilateraly obtain the interests through a political solution. However, we have to oppose any settlement and attempt aimed at violating the sovereignty of Cambodia and to favour the return of the genocidal Pol Pot clique to power.

"The Cambodian people will applaud peace which can be restored but wish that it must be lasting and not a peace accompanied by threat of the recurrence of the genocidal regime.

"Seizing this opportunity, the Cambodian people reaffirm their fraternal sentiments towards the peoples of the Association of Southeast Asian Nations members, in particular the people of the Kingdom of Thailand and as well as those of China, and express their strong desire to turn this new decade into a glorious epoch of friendship, cooperation and good neighbourhood, thus contributing to the interests of each nation and peace in Southeast Asia."

"The Cambodian people, victims of sufferings caused by war and the genocidal regime, profoundly regret the outbreak of the war in the Persian Gulf while expressing their hope that a political solution could be found within a short period with the view of putting end to the war which could be uncontrollable and could cause heavy consequences to the whole mankind," concluded Chairman Chea Sim.

Also present, among others at the meeting, were Mat Ly, Politburo member of the party Central Committee and vice chairman of the National Assembly, and Men Sam-an, Politburo member of the party Central Committee and president of the Kampuchean Federation of Trade Unions.

Report on Military Activity in First Week of Feb

BK1602081291 Phnom Penh SPK in French 0411 GMT 16 Feb 91

[Text] Phnom Penh 16 Feb (SPK)—From 1 to 7 February, opposing Cambodian troops intensified their artillery fire on some areas northwest of the country, particularly in Battambang, Banteay Meanchey, and Siem Reap-Oddar Meanchey Provinces, according to military sources.

During the same period, the 196th Division uncovered an arms cache containing eight mortars and 76 shells. In Battambang Province, 26 enemy soldiers were put out of action, including 12 killed and 14 wounded. Five weapons and seven tonnes of ammunition were also seized by government forces.

In the meantime, the provincial armed forces in Banteay Meanchey killed 190 intruders and destroyed two tanks. For their part, the provincial armed forces of Siem Reap-Oddar Meanchey put out of action 63 enemy soldiers, including seven killed on the spot, 14 taken prisoner, and 42 others forced to surrender. They seized 32 assorted weapons and 227 cartridges; 30 enemy shelters were also destroyed.

Furthermore, 24 enemy soldiers were put out of action in Kompong Thom Province: two were killed and 11 others forced to surrender. Combatants in the province also seized 191 weapons and destroyed eight shelters.

Since the start of this dry season, the armed forces in Kompong Chhnang Province put out of action 99 enemy soldiers, including 74 killed on the spot, three taken prisoner, and 22 wounded. They also seized 30 rifles and other war materiel. Forty two Pol Pot soldiers surrendered with seven weapons. Toek Phos District was outstanding by putting out of action 42 enemy soldiers, including 13 killed. It is to be recalled that in 1990, the provincial armed forces killed a total of 169 enemy soldiers and seized 60 rifles and a large quantity of ammunition. They also received 85 returnees, including 78 Pol Pot soldiers and seven Son Sann soldiers, along with 34 weapons.

More Rebel Losses in Northwestern Provinces

BK1902070091 Phnom Penh SPK in French 0431 GMT 19 Feb 91

[Text] Phnom Penh 19 Feb (SPK)—The people's armed forces put out of action 629 enemy soldiers during the first week of February in their riposte against the attacks by the Khmer opposition forces who had intensified their artillery fire on some northwestern regions, particularly in the provinces of Battambang, Banteay Meanchey, and Siem Reap-Oddar Meanchey, according to a military source.

The source specifies:

On 29 January, the enemies pounded Banan District, Battambang Province, with thousands of artillery shells. However, the provincial armed forces killed on the spot 85 enemy soldiers, wounded 166 others, and destroyed two tanks.

On 2 February an inhabitant was killed and five others were wounded by enemy artillery fire against Samraong District, Siem Reap-Oddar Meanchey Province.

On 8 February the three Khmer opposition factions pounded the communes of Por and Bos in Sangke District, Battambang Province, killing eight local people and wounding 20 others.

Among the enemy losses were 239 killed, 248 wounded, 55 captured, and 87 forced to surrender. At the same time, the government forces seized 302 firearms, more than 10 metric tons of assorted ammunition, and 159 mines, destroyed three tanks, and blew up eight hideouts.

Banteay Meanchey Province gained distinction by putting out of action 390 intruders, including 190 killed on the spot.

Khieu Samphan Greets Malaysian Foreign Minister

BK1702040191 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 16 Feb 91

[Message of greetings from Khieu Samphan to Malaysia's newly-appointed Foreign Minister Abdullah Ahmad Badawi; dated 11 February]

[Text] His Excellency Khieu Samphan, Cambodian vice president in charge of Foreign Affairs, sent on 11 February a congratulatory message to His Excellency Abdullah Ahmad Badawi, the newly-appointed foreign minister of Malaysia.

The message read: Your Excellency:

I am very pleased to learn that you have been nominated as foreign minister of Malaysia. I would like to compliment you with your appointment and wish you all the best. May you achieve brilliant success in implementation your task.

Availing myself of this opportunity, I would like to again convey profound thanks from the Cambodian people and the Cambodian resistance forces led by Samdech Norodom Sihanouk to the Malaysian people and government, in particular to His Excellency Prime Minister Mahatir Mohamed, who has been providing valuable assistance and support to the Cambodian people for their struggle in wresting back the nation's independence and sovereignty.

We are hopeful and do believe that Malaysia will continue to play an active role in promoting the achievement of a comprehensive political settlement for the Cambodian problem in line with the framework document of the five permanent members of the UN Security Council dated 28 August 1990 and the draft agreement dated 26 November 1990.

Please, Your Excellency, accept my highest regards.

[Signed] Khieu Samphan.

Indonesia

Palestinian Minister Arrives for Talks on Gulf

BK2002082991 Jakarta ANTARA in English 0727 GMT 20 Feb 91

[Text] Jakarta, Feb 20 (OANA-ANTARA)—Visiting Palestinian Foreign Minister Farouk Qadoumi had stated that his government appeciated the Indonesian stand which did not justify the Iraqi invasion into Kuwait, while on the other hand refraining from sending troops to the Gulf.

He made this statement to the press on arrival in Jakarta for a four-day visit to Indonesia on Tuesday evening. He was scheduled to hold discussions with his Indonesian counterpart Ali Alatas and pay a courtesy call on President Suharto.

Asked what his government hoped to achieve from Indonesia, he said that it all depended on the Indonesian Government whether to pay a role through the United Nations or the Non-Aligned Movement. "We must cooperate to stop the Gulf War for the sake of achieving peace. We have all been striving to achieve peace and Indonesia on her side had participated in the efforts through attending the meeting of non-aligned countries in Belgrade recently", he said.

Commenting on the bombing of Iraqi civilians by allied forces, Qadoumi stated that the action of the allied forces, led by the United States, was a violation of human rights and a criminal act which should be punished by the United Nations.

Qadoumi and his five-member party arrived at the Jakarta Sukarno-Hatta Airport and were met by Palestinian Ambassador to Indonesia M. Ribhi Hallum and the ambassadors of Iraq, Yemen, Jordan and Algeria. Also present at the airport were the director of African and Middle East affairs, Amin Rianom, and secretary of the Directorate General of the Indonesian Foreign Office Hasan Adami.

The Gulf War started on January 17, 1991, when allied forces bombed Iraq after ths country refused to withdraw from Kuwait which it had occupied since August 2, 1990, repudiating the U.N. Security Council resolution which had set the time limit of withdrawal on January 15, 1991.

President Suharto Receives Minister

BK2002111191 Jakarta ANTARA in English 0950 GMT 2 Feb 91

[Text] Jakarta, Feb 20 (OANA-ANTARA)—Indonesia will continue its financial aid for Palestine through the U.N. body of Works and Reliefs Agency (UNWRA), President Suharto said here Wednesday.

When meeting the visiting Foreign Minister of Palestine Faruq Qaddumi the president further said that the aid was in response to Palestine's request for Indonesian financial assistance.

Indonesian Foreign Minister Ali Alatas accompanied the Palestinian minister when he paid the courtesy call on the president.

According to Minister Alatas, the Palestinian minister who arrived here Tuesday evening also explained the struggle of his people to gain their independence. The struggle, Minister Qaddumi told the president, was still facing obstacles as Israel continued to place its people in the occupied Palestinian land.

"Israel has also placed around 400,000 Jews previously residing in the Soviet Union in the West Bank and Gaza Strip," Minister Qaddumi said. He further said that recently Israel even imposed a 24-hour curfew in the occupied land.

After meeting President Suharto, Minister Qaddumi told the press that the Gulf crisis which began when Iraq invaded Kuwait on August 2 last year actually could be settled by the Arab nations themselves. But now the U.S.-led multinational forces has gone to war with Iraq, instead, he stated.

He also stated that the issue was also discussed with the Indonesian head of state.

"The U.S. sent its troops to the Middle East just to destroy the public facilities and infrastructure in Iraq," he said.

President Suharto, according to the Palestinian minister, has agreed to continue seeking solution to the Gulf war. He also expressed the hope that Indonesia, as a country with the largest Muslim population in the world, could come up with concrete contribution to efforts to solve the problem.

Alatas, Palestinian Discuss Mideast

BK2002120091 Jakarta ANTARA in English 1107 GMT 20 Feb 91

[Text] Jakarta, Feb 20 (ANTARA)—Palestinian Foreign Minister Faruq Qaddumi is convinced that the Non-Aligned Movement (NAM) still has power to find peaceful solution to the Gulf war.

The Non-Aligned Movement can do something to help solve the problem because the total number of the movement's members constitutes two third of the United Nations's membership, Minister Qaddumi said after having two-hour talks with his Indonesian counterpart Ali Alatas here Wednesday.

NAM, which is currently chaired by Yugoslavia, groups over 100 countries, while UN has around 160 member countries. He hoped that NAM in its coordinating bureau meeting scheduled to be held in the United States in the near future would discuss efforts to solve the over-a-month-long war in the Gulf.

Qaddumi expressed the hope that Indonesia could play a more active role in helping seek for a peaceful solution to the Middle East problems through NAM as well as the United Nations.

Foreign Minister Ali Alatas explained that in the NAM informal meeting in Belgrade recently, the 16 member countries attending the meeting agreed that they should and can give significant contribution for a peaceful settlement to the Gulf crisis.

The upcoming ministerial meeting of NAM will be attended by a number of the movement's member countries, according to Alatas.

Alatas said during the talks he and his Palestinian counterpart also discussed the [words indistinct] that the proposal is a very positive effort which hopefully could make a breakthrough in order to end the war and start negotiations to find a comprehensive solution to the Middle East problems. We are now waiting for Iraq's reaction on Soviet's peace initiatives, he said.

We would welcome Soviet's efforts because besides the Soviet Union is a big country, it is also a permanent member of the UN Security Council. So just wait with full of hopes that the last effort could yield positive results, Alatas added.

Government Urged Toward Higher Profile in World

BK1902105191 Jakarta ANTARA in English 1014 GMT 19 Feb 91

[Text] Jakarta, Feb 19 (OANA-ANTARA)—Indonesia should start quitting its "low-profile" foreign policy since it will never be able to increase the country's participation in various international fora, a number of political observers and MPs [members of parliament] said here Tuesday.

Yuwono Sudarsono of the University of Indonesia and retired General Sumitro, during a parliamentary hearing, said that the "low-profile" foreign policy adopted during the birth of the New Order administration was no longer suitable if seen from today's geopolitical or geostrategic point of view. "In other words, Indonesia can no longer afford to be always 'inward-looking' and 'indifferent' towards global developments," Sumitro, former chief of the influential Kopkamtib security agency, said.

According to the retired four-star army general who now is a political observer, an increasing Indonesian role in various international fora is in line with the national endeavor to maintain the country's development programs. Meanwhile, Marzuki Darusman, member of the House Commission I (in charge of among others political affairs), believed that Indonesian foreign policy today was only "reactive" in nature as could be seen in the country's response to the ongoing Gulf war.

"Our foreign policy has become more like our press system. It is no longer free and active but free and responsible, instead," he said. It is true that there is nothing wrong with a free and responsible foreign policy but the 1945 Constitution clearly stated that Indonesia should pursue a free and active foreign policy by keeping the world's orderly situation based on the principles of freedom, eternal peace, and social justice.

Commenting on the MP's statement, Sumitro said Indonesia actually possessed a strong asset to play a greater role together with other developing countries in international political activities. The asset is, he said, Indonesia's strong relations with the world's major countries. "For example, during President Sukarno's administration, Indonesia had close relations with the Eastern Bloc countries, while during the New Order administration under President Suharto with the Western industrialized countries," he said.

This means Indonesia has "a solid" asset both with the Eastern and the Western nations as well as with the developing countries, he stated. Although for quite a long time Indonesia adopts a "low-profile" and "inward-looking" foreign policy as it chooses to concentrate on national economic development, important figures from the Eastern and the Western blocs continue to come to the country, he said.

This reflects the fact that the country is highly respected internationally, he said, adding the respect grew even stronger with President Suharto's state visits to Yugoslavia, the Soviet Union, Eastern European nations, Vietnam, and the People's Republic of China (PRC).

Sumitro further said it was high time that Indonesia become more active in international political activities and abandon its reactive attitude especially as the country's national stability and democratic life had become healthier.

He reminded that during the Sukarno era, the voice of Indonesian foreign policy was "very loud" although the country at the time was still considered "very poor."

"Similar thing happens in the Soviet Union today. Although it faced serious economic problems, President Mikhail Gorbachev had enough time to send its special envoy to Baghdad to meet President Saddam Husayn in an effort to end the Gulf war," Sumitro said.

Echoing the importance of having more active foreign policy, Yuwono Sudarsono said the current world order could not be considered just and fair because it was dominated by a small number of superpowers having the veto rights in the United Nations.

Sudarsono believed that the Gulf war was the result of President Saddam Husayn's attempt to change the unjust and unfair global order.

With the current order, the developing countries must suffer from "imbalanced" political, economic, military, and communication situation, he said.

Laos

Narcotics Control Team Back From Austria, Japan

BK1902145491 Vientiane Domestic Service in Lao 0000 GMT 19 Feb 91

[Text] Souban Salitthilat, deputy minister for foreign affairs and chairman of the Lao National Committee for Narcotics Control and Suppression, returned to Vientiane on 17 February after paying a working visit to Austria to meet high-ranking officials of the UN Fund for Drug Abuse Control as well as to discuss the policy of the Lao Government on narcotics control and to present Laos' integrated rural development project in the form of planting substitute crops in four northern provinces.

The Lao delegation also attended an Asia-Pacific regional meeting of high-ranking narcotic control officials held in Tokyo from 13 to 15 February.

Two Day Planning Meeting With UNICEF Opens

BK1902152191 Vientiane Domestic Service in Lao 1200 GMT 15 Feb 91

[Text] The meeting on the planning of cooperation strategy between the Government of the Lao People's Democratic Republic [LPDR] and UNICEF was hosted by the Ministry of Foreign Economic Relations at Lan Xang Hotel this morning. This 2 day meeting was the first of its kind ever held in the LPDR. Attending the meeting were deputy ministers of the Ministry of Foreign Economic Relations, the Ministry of Education and Sports, the Public Health Ministry, and the Ministry of Information and Culture, a vice chairman of the Lao Women's Union, high-level cadres from the ministries concerned, representatives of the international organizations in Laos, and representatives of the United Nations High Commission for Refugees [UNHCR] from New York and the regional UNHCR in Bangkok.

The meeting was aimed at outlining a program of action for Lao children and women's development for the 1992-1996 period by developing plans which are suitable to reality, aimed at providing good health to and a bright future for children, and giving an opportunity to and encouraging all women to contribute to national economic development and to having effective skills in child rearing.

Prime Minister Addresses Production Conference

BK2002104891 Vientiane KPL in English 0920 GMT 20 Feb 91

[Text] Vientiane, Feb 20 (KPL)—Mr Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party Central Committee (LPRP CC) and chairman of the Council of Ministers of the Lao People's Democratic Republic, yesterday morning the second day of deliberation, addressed the First National Conference on Commodity and Export Goods Production.

The chairman of the Lao Council of Ministers pointed to the considerable increase in the production of commodities over the past 15 years, in particular since the introduction of restructuring and economic mechanism policies. He praised the improved local commodities whose prices are cheaper compared to the imported ones, hence being popular with Lao consumers. From a general view, the country's industries and handicraft still saw a slow-paced development. "Still, we lack programme of operations as well as the development strategy in this important sphere," he admitted.

Concerning the new stance, the Lao premier urged everyone to absorb and firmly grasp the LPRP's basic stance on the economic construction of the people's democratic regime which had the objective to turn the subsistent and semi-subsistent economies to consumer goods economy step by step. In onder to achieve this, all potentials of the entire people, of all economic sectors must be mobilized to raise the production force as well as to strongly develop production and business operation.

Towards the main objective of the commodity and export goods production in the following years, Mr Kaysone Phomvihan noted that the production of home-made quality commodities such as the processing of products from cultivation and animal husbandry and the production of domestic-required goods must be supported and promoted. This was aimed to gradually reduce the importation of goods of the same type available in the country, gradually cut down the exportation of raw materials, increase the exportation of finished quality products, and raise the competitiveness of the home-made goods on regional and world markets. In the future, Laos would focus on some export itens such as electricity, some agro products, traditional handicraft items, garments. At the same time, the macro-economic management on commodity and export goods production must be strengthened.

Concerning the principles to be firmly grasped, the prime minister said that the country's economy was run in the state's adapted macro-economic form. Consequently, the commodity production must correspond to the market demand, but not based on the administrative command as practised under the old mechanism. All projects for the export goods production must be studied through economic-technical analysis, taking into account its effectiveness and ensuring balance. The areas and types of the production of export goods production such as the policy on the protection of ownership and domestic production, the policy on marketing and export goods insurance and others. He further pointed to the clear division of levels of management and the identification of the roles between sectors and between the central and local levels and the strict observation, the continuation of the privatization of state-run enterprises of commodity and export goods production, the expansion of foreign cooperation for more fund, modern technology and experience in production and business operation, and personnel placement.

Kaysone Phomvihan Chairs Goods Conference

BK1902063191 Vientiane Domestic Service in Lao 1200 GMT 18 Feb 91

[Text] The first nationwide conference on the production of consumer goods and goods for export was opened in Vientiane on the morning of 18 February under the chairmanship of Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party Central Committee and chairman of the Council of Ministers. Attending the opening ceremony of the conference were Souphanouvong, president of the republic, and Nouhak Phoumsavan, chairman of the Supreme People's Assembly, along with many party and state leaders, party secretaries, chairmen of provincial administrations, members of committees attached to various ministries, and more than 200 cadres concerning the production of consumer goods and goods for export from throughout the country.

The conference is held to review and assess the achievements and situation on economic, industrial, and export development over the past 15 years, adopt guidelines and target for the immediate production of consumer goods and goods for export, and put forth basic measures for the implementation of the consumer goods and exports production plan.

In the report delivered at the conference, Soulivong Dalavong, minister in charge of industry and handicrafts, pointed out certain achievements. He said: Over the past 15 years, though the work in this field was still new and it faced many difficulties, it is generally seen that steps of development have been achieved in production. For example, the number of factories or plants increased from more than 100 in 1975 to some 295 in 1985. At present, the number of factories or plants has increased to as many as 633, 30 percent of which have been under the management of the central service. The production figures have increased as follows: clothing by 68.5 times, (?salt) by 5.3 times, soft drinks by 2.5 times, tobacco by 1.3 times, bricks by 6.3 times, earthernware by 1.5 times, (?iron nails) by 6 times, plastic products by 7 times, detergent by 3.3 times, farm tools by 3.4 times, [words indistinct] electrical appliances by 3.9 times, floor parquet six times, and plywood by 12 times.

Regarding the direction and target for the production of consumer goods and goods for export in the subsequent years, Soulivong Dalavong said: In general, we have unanimously striven to expand the production force and gradually turn the natural and seminatural economy into the market economy to enable our people to maintain wealthy conditions and to build our country into a strong and advanced country.

The conference on consumer goods and exports production work will last three days. During the conference, the participants will hear a speech by General Secretary Kaysone Phomvihan, chairman of the Council of Ministers, who will give views and suggestions on the work in this field.

Philippines

Foreign Secretary on U.S. Bases Negotiations

HK2002042791 Quezon City MALAYA in English 20 Feb 91 pp 1, 8

[By Ellen Tordesilas and Chit Estella]

[Text] Foreign Secretary Raul Manglapus yesterday said a new bases treaty will likely be signed the middle of March in Manila.

"There will be no negotiations there (Washington)," stressed Manglapus, who will leave for the United States either on Monday night or Tuesday morning.

He added that by the time he comes back the first week of March, the Americans would have responded to the issues of duration and compensation.

Ambassador Nicholas Platt said the U.S. will push through with its $160-million commitment to the second pleging session of the Philippine Assistance Program in Hong Kong next week, but indicated their post-1991 commitment may have to be linked to a bases treaty.

Manglapus hinted that the $825-million-a-year Philippine demand as bases compensation is negotiable although the seven-year duration is not.

Manglapus said he hopes to convince American officials to support the debt-reduction program contained in the Philippine bases compensation package of $825 million a year for seven years.

He said the program calls for the use of base-related aid money to sell bonds at concessional interest rates over a long-term period.

Manglapus said the Japanese expressed "positive reaction" when invited to participate in the plan.

Asked what would happen if the Americans cannot meet the demand, Manglapus replied: "Any amount given, if used in debt reduction, will have economic impact on us."

Asked further if it means the $825 million is not the minimum figure for the Philippines, Manglapus said; "Minimum is a many- splendored word."

He said, however, that the Philippines cannot allow the U.S. military bases to stay more than seven years after the expiration of the current agreement in September this year.

"We can't go up anymore Kung ayaw, di wala [if they do not want then there is nothing]," he said.

Manglapus also said President Aquino has appointed former Trade Secretary Jose Concepcion Jr. as special negotiator with U.S. officials on base-related trade access.

Presidential Spokesman Adolfo Azcuna refused to comment on the bases issue, saying the details of the talks "are being threshed out."

"We should not be expecting the President to answer all these (questions about the U.S. bases issue), the same way (U.S) President Bush is not being asked (about it)," he said.

Manglapus, who expressed hopes that the Senate can be persuaded to ratify the treaty, said he will meet with its members before he leaves for the U.S.

Some senators led by Senate President Jovito Salonga criticized the $5.7-billion seven-year compensation package and threatened not to ratify the accord.

Two-thirds of the 23-member Senate is needed to ratify a treaty.

Further on Remarks

HK1902124991 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 19 Feb 91

[Text] Foreign Affairs Secretary Raul Manglapus qualified that the Philippines will accept any amount of compensation from the U.S. Government regarding the bases, if it will be beneficial for the Philippines. Likewise, Manglapus clarified that the Philippines will reject a compensation offer lower than $820 million for each year of the bases' extension. He added that the Philippines will not consent to an extension beyond seven years.

According to Manglapus, he is going to Washington not to negotiate but to meet with U.S. officials to justify the Philippines' needed compensation for the retention of the military bases. He further stressed that the signing of the treaty with the United States will take place in the Philippines, if ever there will be one.

Israeli Envoy Says PLO 'Terrorists' Present

HK2002094691 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 20 Feb 91

[By Rey Arquiza; italicized passage in English]

[Text] Israeli Ambassador to the Philippines (Yuhap Behiri) today confirmed reports by the military intelligence community that there are Palestinian terrorists in the country. In an interview for DZRH, Ambassador (Behiri) said: *There is always the presence of an extremist group of the Palestinian liberation movement where there is a large concentration of Palestinian nationals.* There are about 2,000 Palestinian nationals in the country, most of whom are students in various Metro Manila universities. The Commission on Immigration said it is closely monitoring students who are Middle East nationals and are tightening the entry of Middle East foreigners, particularly Palestinians. Commissioner Domingo said more than 200 Iraqi, Palestinian, and Jordanian nationals had been refused entry into the country in over a month.

Presidential Spokesman Holds Press Briefing

HK1802100391 Quezon City Radyo ng Bayan in Tagalog 0730 GMT 18 Feb 91

[Press briefing by presidential spokesman Adolf Azcuna at Kalayaan Hall, Malacanang; reported by Tanny Rodriguez—live, in English]

[Excerpts] [Azcuna] [Passage omitted] Number one, no further statement for now on the the RP [Republic of the Philippines]-U.S. Cooperation Talk [PACT] from the president. Secretary Manglapus will reply to questions on those talks.

Number two, I shall consider the nominees of Vice President Salvador Laurel together with others who have likewise been nominated or presented for consideration for the two other positions of members of the Comelec [Commission on Election]. The nomination of Mr. Christian Monsod as chairman for the remaining term of former Chairman Davide will be submitted today to the Commission on Appointment.

Number three, on a selective basis, we may still send contract workers to the eastern province of Saudi Arabia, depending on the capabilities of their employers, particularly on their compliance, or their ability to comply with the contingency plan.

Number four, it is not an exemption really but a mechanism for supporting fertilizers by the use of a tax expenditure fund provided for in the appropriations act.

Number five, the normal conservation measures will continue. No appreciable effect is expected on power generation of our hydroplant of the affected areas by the dry spell are not where these plants are found, fortunately. [sentence as heard]

[Question indistinct]

[Azcuna] Yes, I will correct you. The Supreme Court said that the Comelec is a constitutional body that is independent of the executive, and therefore the president could not appoint an acting chairman. However, the president without doubt, can appoint or nominate the permanent chairman which is what she is doing now. She is nominating a permanent chairman. [passage omitted]

[Question indistinct]

[Azcuna] ...As I said, the talks [on the U.S. military bases], formal talks have been, are not contemplated any further but there will be communications along normal channels to continue what has to be worked out, which is mainly duration and the compensation. [passage omitted] He [Manglapus] is going there [to the United States] for another purpose not in connection with the talks. He is going to testify in a case involving the double-murder of Viernes and Felney, in which the Philippine Government was sued. However he intends also to present the Philippine side to American media. [passage omitted]

Malacanang Endorses Desynchronized Elections

HK1902045791 Manila PHILIPPINES NEWSDAY in English 19 Feb 91 pp 1, 2

[By Jose H. Macaspac III]

[Text] Malacanang yesterday endorsed the desynchronization of the 1992 polls, saying it prefers that the local elections be held earlier than May 1992.

At the same time, President Aquino stood firm on her choice of former Constitutional Commission member Christian Monsod as the chairman of the Commission on Elections (Comelec) despite objections coming from many quarters.

The political opposition in the Senate said it would be too costly to destynchronize the elections and urged Congress to implement the provision of the Constitution on the 1992 presidential polls.

The Malacanang stand was disclosed by Presidential Spokesman Adolf Azcuna, a member of the 1986 Constitutional Commission, during a hearing by the Senate constitutional amendments committee.

Azcuna told the senators that, considering the difficulties and the costs that would be encountered in holding national elections together with local elections, it would be preferable to hold the presidential and congressional elections separate from the gubernatorial and mayoral elections.

He said congressional elections could be held in February while the presidential and the local elections could be held in May, 1992.

However, any postponement in the elections should not go beyond June 30, 1992, Azcuna stressed.

The terms of the newly elected officials are scheduled to start on this day.

Officials of the Nacionalista party, on the other hand, debunked the claims of those supporting the desyncrhonization of elections.

Former elections commissioner Flores Bayot said that based on studies made by his party, holding two elections would definitely be costlier than holding just one synchronized polls.

He said his party is prepared to submit to the committee the results of these findings.

Bayot said that the government would naturally have to double the printing costs of ballots and other election paraphenalia if it will hold separate elections.

It will also be very expensive to the national candidates as well, Bayot said.

He said presidential and congressional candidates would have to foot the bill on their own if the national and local elections are held separately.

On the other hand, the local officials will help the national candidates' shoulder the expenses when only one election is held.

Mrs Aquino, meanwhile, said that she will "consider the nominees of Vice President Salvador Laurel together with others who have been likewise nominated or presented for consideration for the two other vacant positions in the Comelec.

"The nomination of Mr Christian Monsod as chairman for the remaining term of former Chairman (Hilario) Davide will be submitted today (February 18) to the Commission on Appointments," she said. Davide still had four years had he not resigned to head a fact-finding commission that probed coups d'etat.

Critics said that the nomination of Monsod was intended to bolster the chances of administration bets during the 1992 elections.

However, Presidential Spokesman Azcuna said that while the President appoints the chairman, once appointed he is beyond the cloak of the executive, the Comelec being an independent constitutional body. Besides, Azcuna said, the President strongly believes in the competence, independence and integrity of Monsod.

Laurel, through a letter sent to the President, nominated six persons and voched for their competence and integrity. Laurel's nominees are Manuel Barcelona, past president of the Philippine Bar Association; Romula Villa, Manuel Malvar, Teodoro Pena, Filemon Fernandez, and Alejandro Fider.

Manila Fails To Trim $28.7-Billion Foreign Debt

HK1902051391 Manila BUSINESS WORLD in English 19 Feb 91 pp 1, 5

[By Ma. Gertrudes M. Chavez]

[Text] Since 1986, the Philippines has hardly been able to substantially trim the $28.7-billion foreign debt.

This has been due not only to increased loans but also to outside factors such as adjustment for foreign exchange rate fluctuations and a decline in the availment of debt reduction schemes.

Central Bank [CB] data indicate that since December 31, 1989 up to September 30, 1990, the country has added some $1.08 billion to the foreign debt stock, despite debt reduction initiatives of $1.66 billion.

This sharply contrasts with the previous period where from December 31, 1988 to December 31, 1989, foreign debt was reduced by $299 million. The previous period, or from December 31, 1987 to December 31, 1988, another $734 million was shaved off from foreign exchange liabilities.

Examining the period under review, what accounts for the $1.08- billion increase in foreign obligations is a net availment of foreign loans of about $1.73 billion, the highest so far under the Aquino Administration.

In the previous years, this tally hardly exceeded the billion- dollar mark: 1987, $411 million and 1988, $986 million. At one time in 1986, the country paid back $124 million and this was deducted from the foreign debt stock.

Another factor for the perennial increase in the foreign debt level is the fluctuation on foreign exchange rates. During the period, some $594 million represented adjustments in foreign exchange due to the weakening of the U.S. dollar vis-a-vis the other currencies particularly the yen.

The data also show that out of the $1.7-billion debt reduction, a substantial portion was made through Government's debt buyback of some $1.3 billion in Philippine debts.

The debt was also reduced through debt-to-equity conversion, $92 million; debt-for-debt swap, $65 million; debt-for-asset swap, $112 million; debt-for-note swap, $2 million; peso prepayment, $5 million; and offset against placement, $11 million.

CB sources noted that the debt-to-equity program has slowed in recent years, unlike in 1987 and 1988 where they talied at $259 million and $649 million.

The same data also disclosed that Government has publicly guaranteed some $638.4 million of private sector debts involving 33 corporations. The list showed Philippine Associated Smelting and Refining Co. (PASAR) having debts of $436.8 million; Bukidnon Sugar Miling Co., Inc., $30.7 million; Philippine Long Distance Telephone Co., $29.5 million; and Davao Union Cement Corp., $22.7 million.

1990 Loan Agreements Reach $3.02 Billion

HK1902044791 Manila PHILIPPINES NEWSDAY in English 19 Feb 91 p 8

[By Rexie M. Reyes]

[Text] Loan agreements signed as of end-1990 amounted to $3.02 billion or about 86 percent of total pledges made in the first pledging session for the Philippine Assistance Program, [PAP] data from the PAP progress report on the Philippine agenda for sustained growth and development showed.

This led to a 21 percent increase in ODA [official development assistance] commitments from $2.34 billion in 1988 to $2.83 billion in 1989, with grants increasing sharply from $416 million to $745 million, the report said.

In 1990, loan commitments increased to $2.25 billion but grant agreements amounted to only $444 million, for a total of about $2.69 billion, the report added.

The 62-page report, dated January 1991, will be the main paper to be presented to the donor countries which will be attending the second pledging session on Feb. 25-26 in Hong Kong.

The additional 13 percent of the total $3.5 billion in pledges received is scheduled for negotiation in early 1991, the PAP paper stated.

ODA commitments refer to the commitments made by donor countries and multilateral financial institutions to contribute either loans or grants. Such commitments are made through the expanded consultative group meeting chaired by the World Bank annually. This meeting was recently called the PAP pledging session which began officially under this name in July 1989.

For this year's pledging session, Finance Secretary Jesus P. Estanislao projected that pledges will amount to about $2.3 billion to $2.9 billion.

Of this total, Japan's aid is expected to make up two-thirds or about $2.0 billion, foreign embassy sources told NEWSDAY. In the first pledging session, Japan's pledges make up $1.6 billion of the total $3.5 billion pledged.

The projected disbursements of loans and grants for 1991-1992 will amount to a total of $7.4 billion. Specifically, $3.6 billion will cover the 1991 financing needs and the remaining $3.8 billion that of 1992.

Of this total, identified loans and loans in the pipe-line, and grants are forecast to amount to $3.8 billion, the PAP paper showed.

The remaining $3.6 billion has yet to be sourced through potential loans from foreign creditors.

Government Plans To Reduce Financing Gap

HK2002042191 Manila BUSINESS WORLD in English 20 Feb 91 pp 1, 6

[By Ma. Gertrudes M. Chavez]

[Text] Monetary authorities are firming up economic projections prior to the scheduled Philippine Assistance Program (PAP) pledging session next week.

Congressman Margarito Teves, a member of the Joint Executive- Legislative Foreign Debt Council, yesterday said Government will try to reduce the financing gap to $400 million for 1991-92 from an original high of $1.5 billion.

Right now, the estimate would include the rescheduling of about $1.4 billion in debts owed to the Paris Club and new money inflows of $500 million. Estimated medium and long-term loans this year are placed at $2.53 billion and $2.23 billion in 1992.

There have been several estimates of the financing gap for the period covering different scenarios. A worst-case estimate of the gap was originally set at $2.02 billion for 1991 and $1.34 billion in 1992. The assumption was that the price of crude oil would reach $45 to $60 per barrel due to the Persian Gulf conflict.

But when the war did not bring about the expected adverse results, the financing gap was scaled down to about $1.6 billion for the two-year period, given an oil price of $22 per barrel. That estimate did not include the rescheduling of the Paris Club debts.

After the monetary authorities' relatively fruitful discussions with commercial and official creditors two weeks ago, there was reasons to expect that more concessions will be granted to the Philippines. This may be the reason monetary chartists are targetting a lower financing gap of $400 million.

Mr. Teves emphasized that the estimate is very flexible and would all depend on support by bank creditors and other multilaterals. Further, the lower financing gap target is also no reason to crow about since, last year, there was no financing shortfall.

By end-1992, gross international reserves (GIR) should be equivalent to 2.5 months of imports or about $3 billion. GIR as of end-January is only $1.7 billion, equivalent to less than six weeks of imports.

As to the other economic targets, Central Bank [CB] Governor Jose L. Cuisia, Jr. said growth of the gross national product (GNP) this year is targetted at a range of 1.5% to 2%.

On the other hand, Cayetano Paderanga, Jr., National Economic Development Authority (NEDA) director-general, indicated that this estimate may have to be revised upwards due to an unexpected positive outcome of the Gulf war.

On the peso exchange rate, Mr. Cuisia neither confirmed nor denied the reported P [peso] 29.50 to $1 rate. But budget planners are using this reference rate in preparing expenditures and other financial projections. The current official rate is P28 to $1 and this has held for the past four months mainly due to CB's direct trade on the floor.

The CB chief has quashed speculations that the peso will devalue due to Government's agressive tack on exports. But it should be noted that the exchange rate has always been an International Monetary Fund tool to boost export competitiveness.

The NEDA, for its part, has argued that there can be no major devaluation of the peso because the price of crude—a major imported item—has sunk to about $16 per barrel. Another reason for such optimism is a reduction in disbursements due to a cut in imports.

However, a drop in imports alone is not necessarily that favorable. This must be accompanied by an increase in revenues. What Government is banking on are receipts or loans from creditor banks and other multilateral institutions, which at the end of the day have to be paid. With outflows exceeding inflows, pressure on foreign exchange builds up.

Finally, Mr. Cuisia said base money (reserve money plus reserve eligible government securities) is targetted to grow by 10% this year form the end-1990 level. He would not disclose last year's base money. But he pointed out that on a per quarter basis, base money should expand by an average of 14% to 15%.

Central Bank Allows Expansion of Offshore Banking

HK2002044991 Manila THE MANILA CHRONICLE in English 20 Feb 91 p 6

[By Arleen Chipongian]

[Text] The Monetary Board, the policy-making body of the Central Bank (CB), has allowed offshore banking units (OBUs) of foreign commercial banks to expand their operations here.

CB Governor Jose Cuisia Jr. yesterday said that OBUs will initially be allowed to open export letters of credit (L/Cs), an activity previously reserved for local commercial banks.

However, Cuisia said the government will limit the volume of export L/Cs that the OBUs could handle to a certain percentage of the country's total export receipts.

As a concession to local commercial banks, Cuisia stressed that the OBUs would not be given full commercial banking operations to include deposit-taking activities. Local banks had opposed the granting of such authority to the OBUs.

The Monetary Board will finalize the guidelines for the expanded OBU operations this Friday, the CB chief said.

Another expanded coverage of the OBUs being considered by monetary authorities is the authority to receive foreign exchange remittances of Filipinos abroad.

The 30 OBUs operating here were previously allowed to open only import L/Cs and they could only do so using their own foreign exchange holdings.

The OBUs could also receive foreign exchange remittances but only from non-residents.

The plan to allow OBUs to undertake more banking functions was first considered by the CB following the shortage of dollars in the third quarter of 1990.

The drop in foreign exchange remittances and the surge in imports that came with the rise in crude oil prices, both resulting from the conflict in the Persian Gulf, had prompted an allocation scheme for scarce foreign exchange to strategic industries.

Allowing these foreign bank offices to expand their operations was also part of the CB policy to foster competition in the banking system.

The CB had earlier allowed four foreign bankers to expand their activity to include trust operations. These were the Bank of America, Citibank NA, Standard Chartered Bank and the Hong Kong and Shanghai banking Corp.

Local bankers had said that they were not opposed to the expansion of the OBUs' operations provided these foreign banks infuse new investments to the country.

They added that the OBUs must not be allowed to tap the $3 billion revolving trade credit facility, which was part of the financial package reached with the country's foreign creditor banks, for opening export L/Cs.

Creditor Banks Set Conditions for New Money

HK2002041391 Manila BUSINESS WORLD in English 20 Feb 91 pp 1, 6

[Text] Commercial bank creditors have imposed four conditions on the release of the last tranche amounting to $115 million of the $715-million new money negotiated in February last year.

Congressman Margarito Teves, member of the Joint Executive- Legislative Foreign Debt Council, said yesterday the release of the money is hinged on:

—approval by the International Monetary Fund (IMF) of the country's economic stabilization program;

—resumption of Government's relending facility;

—revival of the debt-to-equity conversion program; and

—2/3 waiver from the commercial banks tying the amount to key economic targets unde the old IMF program.

Monetary authorities are confident that the money will be released within the first six months. All the conditions seem attainable, said Mr. Teves.

For one, IMF approval is already in the bag, noted Finance Secretary Jesus Estanislao, since the Philippine program has been favorably endorsed by the IMF team which visited Manila last month.

Second, the debt-to-equity scheme has been recently reactivated in December last year. In fact, bidding for Central Bank [CB] debts is scheduled today. CB deputy governor Gabriel Singson noted that the applications have already reached $427 million, or more than five times the set ceiling of $75 million.

On the other hand, it could not be ascertained whether or not the relending facility has been resumed.

To recall, this scheme enables a foreign investors to draw advances form the CB using commercial bank exposures as collateral. At that time, banks can sell their Philippine exposures to foreign investors. This was stopped in 1989 because the practice was then perceived to be inflationary.

The last condition—2/3 waiver—is still up for approval by the commercial banks although Mr. Estanislao said these institutions have adopted an open stance on the Philippine request.

Earlier, Government requested the banks to apply the condition of the loan to the first quarter performance of the economy under the current 18-month standby arrangement (SBA).

Six performance targets will be used to measure the performance of the economy. Test periods for compliance will fall at end- September and end-February next year.

The first quarter performance is not a test period but Government has nonetheless set benchmark targets. If these targets are used, then the Philippines will comply with the goals set.

Meanwhile, Mr Teves disclosed that Government is initially looking at a new money loan of about $500 million to be co-financed by multilateral institutions and commercial banks. Earlier, Mr. Estanislao had quoted a figure of "over $800 million" new money loan from these institutions.

Financing would be on a one-to-one basis. In other words, one multilateral agency, possibly the Asian Development Bank, will provide $250 million of the new money requirement while the remaining balance will be put up by the banks.

Mr. Teves noted that one of the commercial creditors being eyed is a Japanese bank.

Press Secretary Probed on Illegal Fund Transfer

HK1902043791 Manila PHILIPPINE DAILY INQUIRER in English 19 Feb 91 pp 1, 8

[Text] Malacanang used P [peso] 15 million from the funds of the Office of the Press Secretary [OPS] to finance trips to the Middle East of some congressmen who were lobbying against the Moro rebels' campaign for membership in the Organization of Islamic Conference [OIC].

Press Secretary Tomas Gomez made the disclosure during a recess in the hearing of the Senate finance committee on the budget proposal of the OPS for the year.

Gomez said he had nothing to do with the alleged unlawful fund transfer. He also refused to elaborate on the matter, saying he would divulge the details before the Senate blue ribbon committee.

The secessionist Moro National Liberation Front is seeking a membership at the OIC.

Gomez is under investigation by the blue ribbon committee on the complaint of Sen. Orlando Mercado, who claimed that the press secretary illegally appropriated P95.1 million in government funds without congressional approval.

Gomez requested the recess after Mercado raised his voice during the hearing.

Senate sources quoted Gomez as saying during the hearing that the P95.1 million were released from December 1989 to July 1990.

In his complaint, Mercado said the P95.1 million appropriation was on top of the P401 million OPS budget which Congress approved last year.

Mercado said the OPS acquired the questioned funds through the Foreign Information Council, a multiagency body handling an information campaign about the Philippines abroad.

"Despite its general fund appropriation for 1990, it is apparent that the Office of the Press Secretary, through the Foreign Information Council, had access to much more funds than the legislature had been made to believe was being utilized for information purposes," Mercado said.

He said P15.2 million was allocated for "the formulation and coordination of public information plans" and P16.8 million was spent by the news and information bureau of the OPS for the "provision of domestic and foreign information programs for the government and the presidency." The remaining P63.1 million was allocated for the Philippine Information Agency "For the conduct of communication researches and developmental information services."

He said the Foreign Information Council authorized the transfer of its funds to the OPS. The council has not made any request for Congress to appropriate funds for its operations since its operation in February 1989.

"I wonder, as most people do, why the Congress of the Philippines is kept in the dark through obvious subterfuges as the Foreign Information Council, utilizing funds tapped from government corporations without the knowledge of, and scrutinizing by, the people's representatives, Mercado said.

"It is as if we have not learned any lessons from the previous regime's orgy of public spending without public accountability," he said.

Mercado said the OPS had earlier gotten from the Philippine Tourism Authority some P15 million earned by duty free shops in Metro Manila.

Mercado had also denounced Gomez for an aborted P200 million media campaign which would have tapped the country's top 20 corporations as its financiers.

The plan, according to Mercado was scuttled after the firms complained that the P10 million being asked from them was "exorbitant."

Mercado's expose of the plan prompted the Senate to schedule an investigation of Gomez.

Aquino Studies Proposed Return of Imelda Marcos

HK1602031691 Quezon City Radyo ng Bayan in Tagalog 0230 GMT 16 Feb 91

[By Tanny Rodriguez from "Malacanang Information Service," Kalayaan Studio, Malacanang—in English]

[Text] President Aquino said that the government is cautiously studying the repercussions if former First Lady Imelda Marcos be allowed to return to the country and face all the civil and criminal charges against her. The status of the person considered to be serious threat to the government is under study, said the president in her press statement.

Solicitor General Francisco Chavez had asked the military to conduct a review to determine if Mrs. Marcos still constitutes a threat to the national security before the government files criminal cases against her which will require her presence in the country.

The president assured that while the study is ongoing, any new assessment will be duly announced if they occur. The cabinet cluster on security and political affairs headed by Justice Secretary Franklin Drilon reported to President Aquino that this cluster group will meet next Wednesday to discuss the recommendation submitted by the defense department on a study whether the government will be sending troops to the Middle East to join the allied coalition forces fighting to liberate Kuwait. Although Drilon, when interviewed in Malacanang, did not disclose the contents of such recommendation from the DND [Department of National Defense], he said he is at present reviewing it, and they will make the final recommendation during the said meeting.

On the issue whether the Marcoses may be allowed to return to the Philippines, specially to try cases involving the decision of the Swiss Federal Supreme Court freezing the assets of the Marcoses in some Swiss banks until criminal and civil suits have been filed and decided in the Philippine courts, Drilon said the earlier ruling of the Supreme Court not to allow the Marcoses return to the country still stands. Whether the return of Mrs. Marcos is still considered a threat to the country's security, Drilon refused to comment on the matter, but instead said it is upon the Defense Department to make the assessment and the necessary recommendation.

Radio Veritas Concludes Regular Broadcasts

HK1902040391 Manila BUSINESS WORLD in English 18 Feb 91 p 10

[Text] Due to financial constraints, Radio Veritas will cease regular broadcast operations starting today. It will just play music the whole day.

"The lack of financial support and its inability to continue defraying monthly expenses amounting to P [peso] 500,000 leave the station no choice but to stop regular operations effective immediately," Bishop Ted Buhain, member of the Radio Veritas Board, said in a press statement.

Armed Forces Adopt 'Tough Austerity Measures'

HK1802041691 Manila MANILA BULLETIN in English 18 Feb 91 pp 1, 20

[By Wilma Yamzon]

[Text] The Armed Forces of the Philippines (AFP) has adopted tough austerity measures, including the banning of travel abroad by military officials and the postponement of construction and repair projects in military camps.

Lt. Col. Manuel Tandoc, AFP deputy spokesman, said the measures being undertaken by the Armed Forces are in response to the emergency situation brought about by the Middle East crisis and the scarcity of the country's foreign exchange reserves.

These measures comprise is the second phase of the austerity program being carried out by the AFP in support of the government's call to save on expenditures. The first phase was undertaken last November.

Tandoc said the military, being one of the government agencies affected by significant cuts in the national budget, has also drawn up programs to cushion the effects of scarce resources on its counterinsurgency drive and administrative operations.

He said the AFP aims at maximizing the use of the existing 1990 funds by reducing its power and water consumption and conserving oil, petroleum, and other logistical supplies.

He said the AFP is still using the remaining 30 percent budget in 1990 as allocations for the military and other government agencies have not been released.

Lt. Gen. Rodolfo Biazon, AFP, chief of staff, has ordered military commanders "to reprioritize programs and activities to effect an overall fiscal restraint."

Biazon told field commanders to consider only activities that are necessary to accomplish their missions.

"We are deferring certain projects and restricting travels until better times," he was quoted as saying.

He also designated conservation officers in each AFP unit to coordinate with logistics officers and strictly implement the austerity measures.

Biazon said first priority had been given to combat operating units; second, to combat support units; and third, to combat service support offices.

He said priority for the Philippine Navy should be given to the deployment of water-craft in areas where security is critical, while the Philippine Air Force's priority should go to aircraft providing air support to troops on the ground.

Tandoc said other AFP austerity measures include the banning of hiring of civilian contractual employes and consultants; purchase of office equipment, furniture, and fixtures; and simple celebrations of units' anniversaries.

Lower House Approves Bill on Energy Department

HK1602050891 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 16 Feb 91

[Text] The Lower House has approved in its third and final reading a bill creating the Department of Energy. The bill, sponsored by Representative Herminio Aquino, aims to consolidated all the energy activities in the country. Aquino said, under the bill, the government will maintain a policy on improvement and conservation of energy nationwide. This, Aquino said, is to ensure sufficient energy resources for the country's soaring energy requirement.

Thailand

Athit Kamlang-ek Named Deputy Defense Minister

BK2002013891 Bangkok Domestic Service in Thai 0000 GMT 20 Feb 91

[19 February Royal Announcement on appointment of Cabinet minister]

[Text] Royal Signature: Phumiphon Adunyadet, Rex.

His Majesty King Phumiphon Adunyadet has graciously given permission to announce that, in connection with the announcement dated 9 December 1990 appointing General Chatchai Chunhawan as prime minister and the announcement dated 14 December 1990 appointing Cabinet ministers to administer the country, for the sake of suitability and to benefit the administration of the country, empowered by Article 146 of the Constitution of the Kingdom of Thailand, His Majesty the King has kindly approved the appointment of General Athit Kamlang-ek, deputy prime minister, to another post of deputy defense minister.

This order takes effect immediately.

Announced on 19 February 1991, the 46th year under the reign of the present king.

Countersigned by General Chatchai Chunhawan, prime minister.

New Appointments for Narcotics Control Board

BK2002023791 Bangkok THE NATION in English 20 Feb 91 p A2

[Text] Army Commander-in-Chief Gen Suchinda Khraprayun has been named a member of a new Narcotics Control Board.

Others appointed on the board include PM's [prime minister's] Office Minister Chamras Mangkhalarat, National Security Council Secretary-General Suwit Suthanukun, PM's Office Minister Kon Thappharangsi, National Intelligence Agency Chief Atthaya Phaeophanchon and former Police Director General Pol Gen Phao Sarasin.

'Source': Foreign Minister Meets PLO Counterpart

BK2002115791 Bangkok MATICHON in Thai 15 Feb 91 p 21

[Text] According to a government house source, Palestinian Foreign Minister Faruq Qaddumi, who was here on his way back from China, paid a courtesy call on Foreign Minister Athit Urairat on the evening of 14 February to discuss the Gulf crisis following Qaddumi's meeting with representatives of the non-aligned countries in Belgrade, Yugoslavia. During that meeting, the non-aligned countries agreed to send a team to Iraq soon to talk with Iraqi President Saddam Husayn in order to end the war.

The source said that the Foreign Ministry had prepared to give a press conference about the meeting between Athit and Qaddumi. The government, however, made an urgent order asking the ministry to cancel the press conference and to keep the meeting secret. Later on, Athit told reporters upon his return from a visit to Brunei that Qaddumi was making a stopover in Bangkok on transit to Sri Lanka and that he did not meet Qaddumi.

Transport Minister Tenacious in Aviation Talks

BK2002020791 Bangkok THE NATION in English 20 Feb 91 p B1

[By Yingyort Manchuwisit]

[Text] When it comes to a war of words, Transport and Communications Minister Samak Suntharawet displays the formidable form of a fully-loaded and near-invincible Tomahawk jet fighter. When he entered the Thai-U.S. air service agreement dogfight last week, the tenacious minister almost singlehandedly wrecked the chances of the Thai negotiating team with his pointed criticisms.

Samak, for his own reasons, would like to extend by another seven months the March 31 deadline when the U.S. airlines are required by the Thai aviation negotiating team to make significant cutbacks to their services to Bangkok—reducing them from 37-38 flights a week to 28.

His position is that Thailand, as a small and more vulnerable country, should not embarass the bigger U.S. to the extent that wider bilateral relations are marred.

After all, if it is not happy with Thailand's conduct in the bilateral aviation talks, the U.S. can resort to trade retaliation under Section 301 of its trade laws, or limit the access of Thai goods under its generalized system of preferences (GSP) programme, Samak says.

Efforts to renew the Thai-U.S. air service agreement, originally signed in 1979, broke down in Washington DC in late October last year, resulting in the agreement expiring. Yet flights continue with airlines from both countries operating on a reciprocal basis to prevent disruption to the aviation industry.

The Thai side wants to curb the presence of the U.S. airlines in the region while pushing for Thai Airways International (THAI) to realign with carriers from Japan, South Korea and Taiwan to take over the service slots in the lucrative Asia-Pacific routes. This has been rejected.

Samak has made clear that Thailand's position, vis-a-vis the bilateral aviation talks, will have to be completely revised to accommodate the U.S. airlines' needs, if the issue is going to be put into the context of Thai-U.S. trade relations.

Following Samak's statement, it was argued that the minister could not single-handedly extend the deadline for the U.S. carriers since he was not charged with the legal authority to do so. Any change in the course of the Thai-U.S. air service talks can be approved only by the Cabinet-appointed Thai delegation or the Cabinet itself.

But the transport and communications ministry grapevine suggests that Samak can exercise his rights as a minister in the Cabinet meeting to get his own way. Any cutback in flight services by U.S. airlines will have to be sent to the Cabinet for acknowledgement. That means Samak will have an opportunity to raise his proposal.

Minister Criticized on Extension

BK2002114991 Bangkok NAEO NA in Thai
19 Feb 91
pp 7, 9

[Text] A high level source at the Communications Ministry criticized Communications Minister Samak Sunthorawet for his decision to extend the deadline of aviation talks with the United States for another seven months. He said that Samak's flexible stand will affect Thailand's position. Thailand already had an advantage over the United States in terms of bargaining, but Samak's decision has reversed the trend sending the United States above Thailand especially now that the United States sees that Thailand is no longer unified over the issue.

"As the stand in the negotiations has changed, Thailand may have to change the delegation, originally headed by Deputy Permanent Secretary for Communications Mahidon Chantharangsu. The Thai delegation has adopted a firm stand throughout and has never changed no matter how hard the United States tried to make excuses," the source said.

The Thai delegation led by Mahidon wanted the number of U.S. flights to Thailand to be reduced from 37 to 28 per week, and Thai flights to the United States to be increased from four to seven flights following the expiration of the current agreement on 31 March. It is not known whether Samak's offer to extend the deadline of negotiations deadline for seven months would require a reduction of U.S. flights to 28 and increase of Thai flights to seven.

"If the United States does not cut down flights after 31 March, it would be impossible for Thailand to raise its number of flights. There has already been a heavy reduction in the number of air passengers following the outbreak of the Gulf war, and if Thailand raises its number of flights while the U.S. flights are not cut, the Thai company would only face more serious losses. Thai International is a small company compared with the U.S. airlines which are big companies and can always absorb losses through other sources of income. This kind of a competition would be a suicide for Thailand," the source said.

The source added that the United States earned some seven billion [currency not indicated] in income from flights to Thailand annually. It stands to lose 10 percent of its income if the number of flights is reduced to 28 per week. Nevertheless, Thailand's nogotiation for equal rights does not mean that Thailand planned to raise the number of its flights to the same level as U.S. flights. Thailand has agreements with only three countries to stop for refuelling when flying such long distances as to the United States. They are: three flights per week via Korea, five via Japan, and seven via Taiwan. Thailand therefore can fly not more than 15 flights to the United States per week.

Parliament Source on Bilateral Talks

BK1802030091 Bangkok THE NATION in English
18 Feb 91 p B1

[By Yingyot Manchuwisit]

[Text] Samak Suntharawet, minister for transport and communications, has no right to nullify the Cabinet-appointed Thai aviation negotiating committee's decision ordering a cutback in U.S. flight services to Bangkok by April 1 if the Thai-U.S. talks on air service agreement fail to make progress, said a highly-placed source in the House Committee on Foreign Affairs.

This followed a remark by Samak on Wednesday that the Thai government would extend by seven more months the deadline of March 31 requiring U.S. carriers to cut back their services from 34-35 to 28 flights a week as a gesture of goodwill to improve wider Thai-U.S. trade relations.

But the source said the minister's statement must be held as an expression of opinion, definitely not a policy to be implemented, since any change in the course of the Thai-U.S. aviation talks will have to be determined by the aviation negotiating committee or by the Cabinet.

He said Samak's insistence on appeasing the U.S. side came after lobbying efforts undertaken by the U.S. officials involved in the bilateral aviation talks, although the minister did not seem to have any clear formula to break the deadlock in the protracted negotiations.

The U.S. ambassador, Daniel O'Donohue, visited Samak at his office on Wednesday for only less than half an hour, after which the minister came out to announce the radical shift in the Thai position on the bilateral talks which immediately threatened to undermine the bargaining power of the Thai negotiating team.

"It is impossible that just two people talk together and then a decision is made. The Cabinet has appointed the aviation negotiating team to handle the bilateral talks. So, any decision-making process, or policies regarding the aviation talks, should be endorsed by the Cabinet," the source added.

Samak's turnabout in the talks on the Thai-U.S. air service agreement has frustrated the members of the Thai aviation negotiation committee, which has been drawing up its strategy for months to improve Thai Airways Internatidonal's stance in the fast-growing, lucrative commercial markets in this region.

Preparation has been underway for THAI and the airlines from Japan, South Korea and Taiwan to take over the service slots left out by the US carriers upon their flight cutback as part of a wider re-alignment of the Asian airlines to improve their competitiveness in the regional commercial aviation market.

The regional airlines want to limit the presence of the powerful U.S. carriers, which have been succeeding in building up their market shares in the Bangkok-Japan, Bangkok-Korea and Bangkok-Taiwan routes at the cost of the regional airlines' eroding market shares.

Defending his move, Samak argued that the deadline for the U.S. carriers to cut back their flight services should be extended further, so that both sides would have more time to strike an accord and keep the friendship, instead of Thailand attempting to put pressure on or embarrass the U.S., a larger country.

But a member of the Thai negotiating team said the Thai-U.S. air service agreement, originally signed in 1979, expired in early November 1990 after efforts to renew the agreement fell through in a series of talks which had lasted several years, and the Thai side had given the U.S. counterpart enough time—until March 31 this year—to come up with a proposal acceptable to continuing the bilateral talks.

"We have given the U.S. a lot of time. But they have always rushed to do things when time is running out," he said.

The negotiating line adopted by the Thai aviation team, in fact, has been receiving full backing from the House Committee on Foreign Affairs and the Ban Pitsanulok advisory team, highly trusted by the prime minister. It is a rare case when big issues of crucial national interest are agreed upon by different authorized bodies.

At Wednesday's news conference, Samak said his decision to extend the deadline of the aviation talks by seven months had gone through consultations with the Aviation Department, Thai Airways International and even the prime minister. But the source close to the negotiating team disputed the claim and said Samak's move had never been circulated among the team members.

He added that the Thai-U.S. aviation talks could be started again in several rounds over the period of seven months as suggested by Samak, but the cutback in U.S. flight services must be according to the deadline because that would strengthen the negotiating position of the Thai side.

Belgian Minister Discusses Cooperation, Cambodia

BK1902081891 Bangkok Domestic Service in Thai 0530 GMT 19 Feb 91

[Text] Andre Geens, Belgian minister of cooperation and development, called on Thai Foreign Minister Athit Urairat at the Foreign Ministry this morning. The two ministers exchanged views on the economic cooperation between Thailand and Belgium, which has gone smoothly for a long time.

The visiting Belgian minister expressed his interest in Thailand's Southern Seaboard Development Project, as well as the progress in efforts to settle the Cambodian problem. On the Cambodian issue, the Thai minister briefed his counterpart that all four Cambodian factions have agreed to meet with each other again for the next round of talks, thanks to the contacts and invitations made by the Thai prime minister.

Touching on Thailand's southern development project, Athit informed the Belgian visitor that the Thai Government is actively trying to step up plans already mapped out. In the end, the Thai minister congratulated the Belgian minister on the European Community becoming a single market next year.

Thai Rice Wins Largest Share of Israeli Market

BK1902041491 Bangkok THE NATION in English 18 Feb 91 p B3

[Text] Thailand has won the largest share of Israel's rice import market, knocking Italy from the pole position.

In the first nine months of 1990, Thailand exported Bt [baht] 170 million of rice to Israel, according to Chana Kanaratanadilok, commercial adivser to the Rome office.

Israel recently scrapped restrictive regulations governing rice exports, paving the way for increased imports from Thailand.

Israel has shown a preference for high quality fragrant rice and 5 per cent and 100 per cent grade rice, according to a survey.

"Thailand has a good chance of expanding its rice market in Israel as the domestic product is very popular. Moreover, Thais will be able to monopolize the export market if they can maintain the quality of their rice," Chana said.

Lao Envoy, Thai Minister Discuss Cooperation

BK1902020091 Bangkok Domestic Service in English 0000 GMT 16 Feb 91

[Text] The Laotian ambassador to Thailand, Bounkeut Sangsomsak, called on Deputy Prime Minister Chaloemphan Siwikon on Thursday [14 February] for consultations on Thai-Laotian bilateral ties and cooperation.

Deputy government spokesman Chamni Sakdiset says that both sides expressed satisfaction over cordial bilateral ties that have developed with exchanges of visits at high level. Trade between the two countries has also expanded.

Talks were also on the establishment of the Thai-Lao friendship association and the friendship bridge to be built over the Mekong River.

The Laotian envoy also expressed interest in having health officials from his country train in Thailand. Graduates and undergraduate students from Laos are also interested in pursuing their studies in Thailand, as there is no language barrier.

Deputy Prime Minister Chaloemphan has been quoted as saying that Thailand welcomes Laotian scholars and students and will extend help to that country in every possible way.

Refugee Camp Becomes Neutral 'by Accident'

BK1902045491 Hong Kong AFP in English 0320 GMT 19 Feb 91

[By Charles-antoine De Nerciat]

[Text] O'trao, Thailand, Feb 19 (AFP)—Entangled in the complexities of a Cambodia settlement, diplomats have so far failed to promote the idea of "neutral" camps, free from factional domination, for some 315,000 Cambodian refugees in Thailand. But here in O'trao, one such camp has precariously—and somewhat by accident—come into being, relief officials say.

Ironically O'trao, a few kilometers (miles) away from northern Cambodia's border, comes under the influence of one of the most brutal commanders of the Khmer Rouge, Ta Mok. But at the end of last year, Ta Mok, whose reputation for bloodthirstiness rivals that of the infamous Khmer Rouge leader Pol Pot, suddenly withdrew his camp administrators from O'trao, one of three technically Khmer Rouge-controlled and United Nations-aided refugee settlements in Thailand.

Now O'trao, where the UN flag is the only one to fly over the lines of thatched huts, developed its own "little bit of perestroyka, little bit of glasnost," an aid official said.

Its 16,000 residents come under "a sort of self-government," he explained. But he added: "People here support the UN (camp structures), but they don't want to come out too much in the open—just in case."

Under Pol Pot's brutal four-year reign, up to one million Cambodians lost their lives in Cambodia's killing fields as the Beijing-backed Khmer Rouge launched an all-out drive to build up an agrarian communist society until they were overthrown in 1979 by Vietnam's invasion force. The 65-year-old Ta Mok—"Grandfather Mok" in Cambodian—earned himself a reputation for such ruthlessness and brutality that Cambodians nicknamed him "the butcher."

During the second half of last year tension rose sharply at O'trao, which is only 12 kilometers (seven miles) from Ta Mok's northern Cambodian operational zone, when a succession of grenade incidents took place inside the camp. The attacks, believed by relief officials to have been prompted by Ta Mok's irritation with UN moves to discover the refugees' plans in the event of repatriation, caused no casualties except one in November when two Thai soldiers were wounded lightly.

The November incident was immediately followed by the removal by Ta Mok of his team of administrators from O'trao. Shortly afterwards the Thai military announced the camp was to be closed, but aid officials say the decision has been shelved. With no representatives of Ta Mok at the camp, O'trao, where the population has swollen by about 4,000 since last year's incidents, has become the only Cambodian refugee settlement in Thailand to operate with no factional interference, say officials.

Five other camps along Thailand's border with Cambodia come under the control of the anti-Phnom Penh guerrilla factions, the Khmer Rouge and their two smaller non-communist partners led by former Cambodian monarch Prince Norodom Sihanouk and ex-premier Son Sann. Plans by Thai government officials and diplomats to set up "neutral" camps free from guerrilla control are viewed with more than suspicion by the anti-Phnom Penh groups, bent on retaining as much control as possible over the refugee population, relief officials charge.

They also accuse the guerrillas of launching recruiting campaigns inside the camps to try and swell their forces. The officials level the accusations not only at the Khmer Rouge, but also at the non-communist factions, singling out the Sihanoukist settlement at Site b, some 100 kilometers (60 miles) west of here, as one of the camps where the recruiting drive has been most active.

According to the officials, a population increase similar to the one at O'trao has also taken place in other camps administered by the Khmer Rouge. This, they say, is linked to an unusually high increase in malaria cases, a build-up in fighting in Cambodia since the start of the dry season two months ago, and, in an unprecedented feature, an influx of young people fleeing Phnom Penh-held areas to dodge conscription.

In the case of O'trao, relief officials have also reported people from Khmer Rouge areas not ruled by Ta Mok have arrived to the camp over the past few weeks. This is most unusual for the faction, which frowns on people crossing from one zone to another and from one leader's area of responsibility to another.

New arrivals at O'trao have included people coming from a Khmer Rouge area to the southwest controlled by Son Sen, the refugee officials say. Well-informed border sources say the sudden change over in population follows reports of a slackening in discipline and fighting spirit in the area under son sen's control.

While Son Sen is considered by Cambodia analysts to be just as hardline as other Khmer Rouge leaders, his grip on some of his troops and part of the population he rules is said to have slipped. This has led the faction's leadership transferring soldiers from Son Sen's to Ta Mok's command. Sources believe the new camp arrivals are families of the reposted soldiers.

Vietnam

Review of Gulf Situation After One Month

BK1902143591 Hanoi Domestic Service in Vietnamese 1430 GMT 18 Feb 91

[18 February NHAN DAN article: "One Month After the Outbreak of the Gulf War"]

[Text] The Desert Storm campaign launched by the U.S. military forces and the allied countries against Iraq has lasted more than a month now. The bulk of their naval, air, and artillery forces, including ultra-modern war equipment, have been mobilized, as noted by military experts, for one of the most concentrated air attacks, unprecedented in history, in order to subdue the Iraqi defense forces. However, they have thus far not yet been able to subjugate their enemy.

Initially, the U.S. armed forces and the allies thought that with their surprise night-time attacks, they could destroy and weaken the Iraqi defense forces within a few days' in order to prepare for a swift ground offensive to achieve their goal. But their quick-strike, swift-victory design has failed. U.S. Defense Secretary Cheney admitted that despite intense allied bombing raids, the military might of Iraq remains terrible and Iraq maintains its chemical weapon and Scud missile potential. The U.S. newspaper THE NEW YORK TIMES said: The aerial bombardments will last longer than anticipated because efforts to track down Iraq's Scud missiles have produced poor results.

Meanwhile, Iraq is continuing to fire Scud missiles at Saudi Arabian territory and at Tel Aviv, the capital of Israel, thus driving Washington into a very awkward situation.

While worrying about how to cope with Iraq's Scud missile attacks, the Pentagon is trying to restrain Tel Aviv as part of an effort to prevent the war from spreading. The American WALL STREET JOURNAL said the Iraqi strikes at Israel have made it more difficult for the United States to gain an easy and neat victory in the Gulf war.

At a time when U.S. and allied military experts were worrying about the effects of their air raids, Iraq launched a surprise thrust into Khafji, a coastal town located deep in Saudi Arabia. It captured and occupied this town for a few days.

The U.S. press says that not much damage has been inflicted on the Iraqi military might and that U.S. intelligence has exposed many weaknesses, for it has failed to obtain those Iraqi secrets kept deeply underground and to know beforehand about the Iraqi raid at Khafji. Now it is widely thought that the American-led multinational forces have failed in their attempts to successfully execute the quick-strike, swift-victory tactic.

After one month of bombing and strafing, the U.S. President has been compelled to declare the continuation of the air raid campaign so as to extend the preparatory period for ground fighting.

The developments in the Gulf War over the past month clearly show that the American-led multinational forces have acted beyond Resolution 678 of the UN Security Council. The logic of the war does not agree with the spirit and letter of the UN resolution. Even worse, it runs counter to the UN Charter.

The planners of this campaign maintain that the objective of their offensives is to destroy Iraq's defense potential. However, in reality, bombs and missiles have hit airports, piers, state buildings, scientific research facilities, oil refinery plants, power plants, water works, schools, hospitals, bridges and roads, and residential areas in Iraq and Kuwait. Baghdad and other cities in Iraq, including Basra, have come under heavy attack by the United States and allied air forces. The victims of those air raids have included children, women, and elderly people. The multinational air forces have dropped bombs even on many sacred holy lands of this Muslim nation. In reality, efforts have been made to liberate Kuwait through the destruction of Iraq's military, economic, cultural, and social strength as well as the human resources and living environment of Iraq and its neighboring countries.

According to the Western press, the real intention of the Pentagon and its allies is to destroy Iraq's offensive potential and infrastructure. It is not by accident that the Pentagon has deployed a large military force comprising more than half a million troops to the Gulf. One half of all U.S. aircraft carriers are also operating in this area and the U.S. Navy has dispatched the largest number of warships to one area since the Vietnam war. Along with the fierce development of the war, U.S. President Bush has ordered the U.S. Defense Department to call up one million more reservists and extend the tour of duty of military personnel in the Gulf to 2 years.

All those actions are not prompted by concern for the Kuwaiti people. Both the U.S. and Western press have pointed to Washington's dark scheme aimed at exerting lasting control over this oil-rich part of the world. This dark scheme has also been manifested through a recent plan to rearrange the Middle Eastern order following the war in the Gulf, under which the United States would be the sole superpower in the region and the new scenario would benefit the United States and Israel more than ever before.

It is not by accident that more and more leaders of the Arab countries and other nations have protested against the coalition forces' cruel acts of war and expressed concern that the UN Security Council resolutions have been abused to serve a dark scheme that runs counter to the UN Charter.

Immediately after the eruption of the Gulf War, on 17 January, a major demonstration was organized in front of the White House to protest against the destructive war in the Gulf. Next, other anti-war demonstrations were held in all major cities in the United States and many Western European countries like the United Kingdom, Germany, Italy, and Belgium. Thousands of demonstrators carried banners bearing these words: Peace now! No blood for oil! The demonstrations in various U.S. cities have brought back the image of the seething movement against the U.S.-initiated war of aggression against Vietnam. The American newspaper USA TODAY has made the following remark: U.S. support for the war is a mile wide, but only an inch deep.

As the Gulf war has increased in intensity with round-the-clock air raids against heavily populated areas in Iraq, causing heavy human and material losses, the world's conscience has been strongly awakened. As a result, the anti-Gulf War movement has gained more momentum on all continents.

Millions of Arabs, especially the Islamic World, have expressed their willingness to fight by Iraq's side and condemned the destructive war conducted by the multinational forces against the Iraqi people. At various cities in developing countries demonstrations have repeatedly flared up, demanding that the United States and its allies end the war, and protesting against the bombings of various economic areas and oil wells, for this has caused serious environmental consequences in the Gulf and adversely affected the world economy.

It can be predicted that once the ground fighting takes place fiercely with growing casualties among the United States and allied forces, the antiwar movement will flare up more intensively in the United States as well as in other countries. And the number of people against the war will be more than those supporting it.

A few days after the outbreak of the Gulf war many countries issued statements, expressing their concern over the unpredictable consequences of the war and hoping that both sides would excercise self-restraint, end the war, and solve the crisis through peaceful means. Such diplomatic moves have been on the increase. Public opinion has noted the peace plan proposed by India, on which Yugoslavia has been consulted and which has been supported by the chairman of the Nonaligned Movement. This is a package deal that contains the following steps:

—The Iraqi president is to declare his intention to withdraw his troops from Kuwait;

—Warring parties are to end all their hostile activities and declare their respect for the sovereignty and territorial integrity of Iraq;

—A West Asian peace conference is to be convened under UN sponsorship to discuss and seek ways to solve a string of regional problems, including the Palestinian issue and other related matters.

Many heads of state and international organizations have made diplomatic efforts in the hope of finding a peaceful solution to bring the Gulf war to an end. It is especially noted that at a time when the warring parties are making intense preparations for ground fighting and threatening to use weapons of mass destruction, diplomatic activities have become more hectic. Diplomats from the Soviet Union, France, Yemen, Algeria, and Iraq have gone to Tehran to discuss the Gulf war. Iran has therefore become a center of intense diplomatic maneuvers. Iran's seven-point peace plan advanced by Iranian President Rafsanjani on 4 February emphatically said that the only solution for ending the Gulf war is to have Iraq withdraw its troops from Kuwait and for foreign forces to pull out of the Gulf. Iran's seven-point plan has won the acclaim of many countries. Pakistan has also put forth a six-point proposal.

In general, all the solutions put forth have laid emphasis on the key factor for ending the Gulf war, that is, Iraq is to withdraw its troops from Kuwait; the United States and allied forces are to be pulled out of the Gulf; and an international conference is to be held to discuss the Middle East issue. However, diplomatic efforts have thus far produced no results because both the United States and Iraq have rejected these efforts and are intensifying their military actions in preparation for a ground war.

On 15 February Iraqi President Hussein issued a statement detailing conditions for an Iraqi troop withdrawal from Kuwait. But immediately afterward the U.S. side dismissed the statement by the Iraqi president as having nothing new and persisted in demanding that Iraq comply fully with the UN resolution. Such a move has made it impossible for the Gulf war to end and there remains the danger of a prolonged, expanded, and fiercer war with serious consequences.

Western news agencies predict that a massive ground attack by the United States and its allies is likely to start soon.

Peace Society Welcomes Iraqi Withdrawal Proposal

BK1902153691 Hanoi VNA in English 1456 GMT 19 Feb 91

[Text] Hanoi VNA Feb. 19—"We welcome all efforts for peace of concerned countries inside and outside the Persian Gulf region, including Iraq's Feb. 15, 1991 proposal, and regard it as a good opportunity to pave the way to negotiations aimed at ending the war and restoring peace in that region," said the Vietnam Union of Peace, Solidarity and Freindship Organizations in a statement released here most recently.

The statement also urgently called upon the governments of the concerned countries and the United Nations Security Council to actively study all peace initiatives put forth by several countries in order to arrive at a solution that can early end the Gulf war before it becomes a catastrophe of the whole mankind.

Hong Kong Refugee 'Bus People' Arrive Via China

BK1802145691 Hong Kong AFP in English 1405 GMT 18 Feb 91

[Text] Hanoi, Feb 18 (AFP)—Two-thirds of Vietnamese refugees who landed in Hong Kong last year were "bus people" who travelled a well-organized overland route through China, a Western expert said here Monday. And 93 per cent of the total 6,599 Vietnamese who arrived in the British colony in 1990 came from the south of the country, the expert added.

The route runs across the Sino-Vietnamese border and through southwest China to the Pearl River Delta, near the city of Guangzhou, where the refugees then find boats to take them to Hong Kong.

The United Nations High Commissioner for Refugees confirmed the higher percentage of southerners, and said it contrasted with 1989 when nearly 30 per cent of sea-travelling refugees were from northern Vietnam. "The China route is becoming more and more important," a foreign aid worker who specializes in refugee problems said.

"It's more reliable and less difficult than going by sea, and the Vietnamese benefit from a network that takes care of them from Ho Chi Minh City and sneaks them across the border," he said. The Chinese leg of the trip, which hugs the South China coast, often includes rural communities where Vietnamese refugees who fled into China were settled in the late 1970s, he added.

A United Nations expert said the overland journey to Hong Kong is cheaper than those organized by sea towards Southeast Asian countries—one tael of gold, or 550 U.S. dollars, against two-and-a-half taels worth 1,375 dollars.

One tael, the traditional unit of measure for gold in the Far East, is slightly bigger than a troy ounce, the universal standard. The price includes transport by bus, train and boat, food, lodging and bribes to Chinese and Vietnamese police and customs agents. The UN expert said bus people enjoy "good cooperation" from Chinese authorities in the regions they cross.

According to several informed sources, the overland trail from Ho Chi Minh City passes through Hanoi and the seaside town of Mong Cai, in northeastern Vietnam. In china it goes via the cities of Fangcheng, Zhanjiang and Guangzhou, near where they board junks or other vessels that can reach Hong Kong in one day.

By going overland, the UN expert said, refugees can avoid pirates—mostly Thai or Malaysian, as well as some Cambodians and Vietnamese. "If nothing is done, this (overland network) is going to become more and more popular," the expert said.

According to a Western diplomat, pressure is being put on Beijing to block the overland route at a time when Hong Kong refugee camps housing more than 53,000 Vietnamese are already overflowing. Some 44,000 of them lack refugee status that would enable their resettlement in a western country. They now languish in the Hong Kong camps, waiting to be returned home.

Since a March 1989 agreement on voluntary repatriation, 6,853 Vietnamese have returned from Hong Kong.

City Reviews Illegal Immigrants Welcome Efforts

BK1602050291 Hanoi Domestic Service in Vietnamese 2300 GMT 13 Feb 91

[Text] The Haiphong Municipal People's Committee recently held a conference to review the task of welcoming back illegal Vietnamese immigrants voluntarily returning from Hong Kong over the past two years.

From early March to the end of December 1990, Haiphong welcomed back 46 groups totaling 4,145 people, including 1,516 children below 15 years of age. Among these people are those who were forced by the Hong Kong authorities to return and those who did not resist being repatriated.

The municipality organized the welcome for the voluntary returnees quickly and safely. Various levels of the administration promptly created favorable conditions for the returnees to go back to their former residences. Many localities were organizing vocational training classes for the returnees, especially for young men, and finding employment for them.

Speaking at the conference, the director of the Asia-Pacific Office of the UN High Commissioner for Refugees [UNHCR] and the representative of the UNHCR International Protection Department highly appreciated the Vietnamese government's humanitarian policy toward those illegal Vietnamese immigrants who had voluntarily returned and its efforts to create conditions for them to repatriate, resettle, and lead a normal life without being ostracized.

Cross-Border Trade With China Increases

BK1602151991 Hanoi VNA in English 1445 GMT 16 Feb 91

[Text] Hanoi VNA Feb. 16—Although the situation of Chinese-Vietnamese relations has not yet normalized, trading between Vietnamese and Chinese populations across the border has not ceased to grow, from small-scale illicit trade to the present organized trade on a large scale.

Chinese traders have gone to not only the Vietnamese border provinces of Lang Son and Quang Ninh but as far as Ho Chi Minh City and some provinces in the Eastern part of South Vietnam.

A similar reverse trend has benn observed among Vietnamese traders. They have travelled to the chinese provinces of Guangdong, Guangxi, and Yunan, the city of Shanghai and even to Beijing.

Much has been said about the positive and negative aspects of the border trade. But the general consensus is for the positive aspects.

First, both sides have been able to sell more goods abroad. According to unofficial statistics, the value of two-way trade across the border has run into hundreds of billions of Vietnamese dong annually.

Second, there has been greater availability of goods. In spite of big efforts by the state trade service the people in the mountain provinces of Vietnam still run short of quality cloth, batteries, lamps and other essential goods. Today, they are relatively well supplied not only in these essentials but also ploughing machines, electricity generators.

Cross-border trade has visibly contributed to boosting domestic production. Faced with a harsh competition from Chinese-made goods, many Vietnamese producers such as the Rang Dong vacuum flask and electric fan factories of Hanoi battery and bicycle factories, etc. have struggled out of the sclerosis of the state subsidisation mechanism to take up the challenge of market competition.

Also thanks to the expanding of goods exchange across the border, the border provinces have had more money to spend on reconditioning local roads, sluices, bridges and other public utilities.

Last but not least is the remarkable reduction of tension in the borber areas, the gradual restoration of the traditional relationship between the populations along the border, this laying the premise for the normalization of relations between the two countries.

The negative side lies in the fact that the imports still outreach exports not only in absolete turnover but also in essential items. The imports included items which can be produced in the country while exports at times and in some places included also strategic materials for the economy. In addition, the loose control of the border traffic has caused not a few difficulties to the security service.

Normalization of relations is the desire of both peoples. Vietnam's policy in its border trade with neighbouring countries including China, has been set forth in clear terms, the border trade is encouraged so far as it is mutually beneficial and does not harm security interests. If the exchange of specific goods with one neighbouring country has been proven to be more profitable than with another, it would be given preferential treatment. In the specific case of the border trade with China, it benefits from minimum export tariffs which means that China is a preferential marker of Vietnam.

Hungarian-Assisted Tannery Built in Nghe Tinh

BK2002083191 Hanoi VNA in English 0725 GMT 20 Feb 91

[Text] Hanoi VNA February 20—A Hungary-assisted tannery capable of tanning 1,000 tons of leather was put into trial operation last month in the central province of Nghe Tinh.

The tannery, built with long-term loans from Hungary and furnished with equipment made in Hungary and Czechoslovakia, will sell its products to the Hungarian company Primor and Indian Leather Co. under bilateral agreements signed recently.

German Participation in Coffee Enterprise

BK1802082491 Hanoi VNA in English 0704 GMT 18 Feb 91

[Text] Hanoi VNA February 18—The Vietnam-Germany Coffee Enterprise plans to raise its annual output of between 4,000 and 5,000 tons of coffee in 1991-1995.

The enterprise was set up in 1980 between the Vietnam Government and the then German Democratic Republic Government. It is the first agricultural unit of Vietnam to engage in an international cooperation in coffee production and to operate as a joint enterprise in the Central Highlands.

The enterprise is located on the eastern part of Krong Ana District, Darlac Province. Before 1980, this area was a wild, parched and hilly land with a sparse population. At first, it employed 5,300 workhands coming from nearby localities and other provinces. Now the coffee plantations have turned the area into a luxuriant farm land.

With a joint capital of 25 million rubles, including 16.4 million for coffee planting, the enterprise has planted 8,500 hectares of coffee most of which have yielded fruit since 1990.

The enterprise has delivered to Germany 6,300 tons of coffee beans worth 18 million rubles. The German side keenly appreciated the quality of coffee and the timely delivery of the amount already agreed upon.

Apart from investing in planting, the enterprise has strengthened its infrastructure and welfare facilities, including 120 kilometres of motor-road, 38 lakes and dams with a capacity of 42 million cubic metres, 5,000 square metres of warehouses, 94,000 square metres of drying yard and more than 200,000 square metres of housing floor for working offices and residential quarters.

Garment Exports to N. America, Europe, Far East

BK1802170091 Hanoi VNA in English 1449 GMT 18 Feb 91

["Economic News in Brief]

[Text] Hanoi VNA Feb. 18—The garment company Confectinex annually turns out 50 million pieces of clothing, ninety to ninety five percent of which for export, bringing a revenue of 150 million U.S. dollars.

Each year, it spends 100 million U.S. dollars on the import of materials, equipment and spare parts to raise the quantity and quality of its products. Confectinex garments are on sale in many countries in Northern and Western Europe, North America as well as in Japan and South Korea.

With modern imported equipment, the Phuong Dong tailoring enterprise in Ho Chi Minh City has produced jerseys of different designs for the Chung-Shin Company of Taiwan. The enterprise has also signed contracts with seven other companies of the Soviet Union and some nonsocialist countries.

The Meko-Hau Giang joint venture has turned out various products including leather, ready-to-wear, lacquer, wooden statues, canned mushrooms which have been exported to many foreign and domestic markets. Meko-Hau Giang is a joint venture between the southern province of Hau Giang and four companies of Hong Kong, Taiwan, and Japan with an initial capital valued at three million U.S. dollars. Hau Giang Province now has nine foreign-invested projects.

Hau Giang Economic Inspectors Find Corruption

BK1802075891 Hanoi Domestic Service in Vietnamese 1430 GMT 17 Feb 91

[Text] Last year, the inspection service of Hau Giang Province conducted nearly 300 socioeconomic inspections and recommended repossesion of 7 billion dong for the state budget, of which almost 3 billion have been recovered. It also recommended dismissal of four directors, five deputy directors, and one chief accountant, and prosecuted four directors and six chief accountants.

The service inspected 572 business establishments in three key areas—Can Tho City, Soc Trang City, and Thot Not District—discovered 436 establishments using state-operated and collective enterprises as cover to avoid paying taxes, and collected more than 1 billion dong from delinquent taxpayers. The service also settled 1,330 of the 6,000 complaints and petitions, most of them concerning land disputes.

Councillors Urge Party Committee To Improve Work

BK2002074491 Hanoi Domestic Service in Vietnamese 2300 GMT 18 Feb 91

[Text] The people's councillors of Haiphong City recently made an inquiry into the work performance of the city people's committee and requested that it carry out more satisfactorily all the major tasks that have been laid down in the previous sessions. So far, these tasks still have not been fulfilled adequately or still have not produced concrete results.

In the struggle against corruption between now and the end of the first quarter of 1991, the city people's council requested that the city people's committee and other responsible sectors urgently conduct investigations into, draw conclusions on, and appropriately deal with various major cases, such as the one involving the loss of billions of dong by the city union of grain enterprises.

The people of the city entrusted the city people's committee with the task of examining all the business activities of the Haiphong Maritime Transport Corporation, on which conclusions have not yet been reached despite the fact that they have been put forth in the previous sessions by many councilors.

The city people's council also entrusted the inspection sector with the tasks of drawing a conclusion on the case involving the construction of eight three-story buildings on lot No. 186 in Cat Ba district and clarifying the case involving the allocation and use of land and the investment of capital in the construction of these buildings by some individuals.

Ha Son Binh Committee Reviews Draft Documents

BK2002045091 Hanoi Domestic Service in Vietnamese 1100 GMT 18 Feb 91

[Text] Recently, the Ha Son Binh provincial party committee held a conference with heads of various services, organs, sectors, and mass organizations and secretaries of party committees of various districts and townships, as well as of the Song Da hydroelectric powerplant and the provincial public security service, to study and discuss the draft political report of the party Central Committtee to be presented at the Seventh Party Congress.

The conference contributed many views to this draft document.

Chairman Do Muoi Pays Tet Visits in Hanoi

BK1802091391 Hanoi Vietnamese Television Network in Vietnamese 1200 GMT 16 Feb 91

[Text] On the occasion of the Tet of the Year of the Goat, Do Muoi, chairman of the Council of Ministers, called on and presented New Year greetings to a number of establishments and families in Hanoi.

During his visit to cadres and combatants of the Air Force, the chairman wished the airmen success in enthusiastically taking part in the emulation drive for good training and study, in cultivating the virtues and workstyle of Uncle Ho's soldiers, in firmly grasping and ceaselessly raising the scientific and technical level, and in standing ready to defend the socialist Vietnamese homeland. He also wished the Air Force successful implementation of its national defense tasks in conjunction with doing economic work so as to contribute to national construction and to improving the people's living standards.

Chairman Do Muoi then paid a visit to the hospital and convalescent center for soldiers who had lost their eyesight. He solicitously inquired after the living conditions of blind war invalids and commended the board of directors of the center; the Ministry of Labor, War Invalids, and Social Welfare; and Hanoi Municipality and other localities for caring for the material and spiritual life of the seriously handicapped war invalids. Despite the many difficulties still facing them, these organizations and localities have managed to provide each war invalid with a transistor radio to help them keep up with the news, and with 100,000 dong to celebrate the lunar new year. They have also cared for their livelihood and given them general and vocational education so that they can find suitable employment, thereby enabling them to contribute products to society and to increase their own income and stabilize their lives with their own hands.

On behalf of the party and state, Chairman Do Muoi wished them good health to continue bringing into full play the glorious revolutionary tradition of the People's Army in combat; to successfully struggle against illness; to exert themselves in study, labor, and production; and to contribute their energy to turning out products in service of the country. Satisfactorily heeding Uncle Ho's teaching that war invalids are handicapped but not helpless, the fatherland and people will forever be grateful for the meritorious services of those who have contributed part of their blood and flesh to national independence and freedom. It is the obligation of our entire party and people to care for the welfare of war invalids and sick soldiers.

During his visit to the Vietnam Association of the Blind, one of the mass organizations of the handicapped, Chairman Do Muoi wished the association and its members success in developing their achievements in the past years and continuing to step up the literacy and job-training movement to create favorable conditions for the blind to become literate and to learn a job, thereby enabling them to engage in productive labor to support themselves and their own families. This will be a source of joy and happiness for the handicapped. The state will continue to study the adoption of various positive policies to grant the handicapped priority and monopoly in the production of appropriate products so that they can take up production with peace of mind. Chairman Do Muoi also hoped that the Vietnam Association of the Blind will develop further and become a strong mass organization in order to work together with the local administration in building a stable and happy life for its members and contribute to the common efforts of the people throughout the country in building the socialist Vietnamese fatherland.

On this occasion, Chairman Do Muoi called on and presented Tet greetings to cadres, workers, civil servants, and mothers and children at S.O.S. Village in Hanoi. The chairman was deeply moved to learn that, under the difficult conditions facing the entire country, Hanoi Municipality, with financial aid from an Indian charity society, had quickly built and put into operation the village on a 2 hectare plot. A total of 16 families now live in the village, which boasts 12 service buildings. Twenty-one mothers and nurses selected from various wards and districts of Hanoi are doing a good job of bringing up 144 orphans or children faced with serious difficulties. All the children are polite and industrious and study well.

Cordially addressing the nurses and children, Chairman Do Muoi wished them success in quickly learning scientific ways to bring up healthy and well-behaved children. He also wished the children successful implementation of Uncle Ho's five teachings including the need to be good children, able pupils in family and society. He expressed his wishes that S.O.S. Village and the families living there will become a model community with a civilized, modern Vietnamese life-style.

On the occasion of the lunar new year, Chairman Do Muoi paid a visit and presented Tet greetings to the family of Academician Professor Tran Dai Nghia. The chairman wished the professor good health so that he may make continued contributions for training the contingent of scientific and technical cadres of the country, and to pass on to his offspring the valuable experience he has accumulated over the past decades, thereby responding to the scientific and technical requirements of the renovation and national construction process.

On the afternoon of 15 February, that is, the lunar new year day, Chairman Do Muoi called on and presented Tet greetings to People's Artists Song Kim and Dao Mong Long. The chairman wished the artists good health to continue participating in social work and to pass on to the young generation of artists the modern and national stage experience they have accumulated over decades of perfomance. People's Artists Song Kim and Dao Mong Long thanked the party, the state, and Chairman Do Muoi for their concern about the stage artists. They promised to do their best to contribute to training the young generations so as to build modern and national socialist Vietnamese stage art.

Australia

Hawke Calls Soviet Peace Plan 'Unacceptable'

BK2002073091 Hong Kong AFP in English 0604 GMT 20 Feb 91

[Text] Canberra, Feb 20 (AFP)—Australian Prime Minister Bob Hawke said here Wednesday the Soviet Union's proposal to end the Gulf war was unacceptable in its present form.

Mr. Hawke told the parliament he had received a letter from U.S. President George Bush which gave "an indication of the Soviet plan" and Washington's reaction to it.

The prime minister, respecting Moscow's request not to release details, said Mr. Bush had stated publicly the Soviet proposal fell well short of what would be required to bring the war to an end. "Having seen the details, to the extent that they were in his letter, of the Soviet proposal, I understand the president's concerns," Mr. Hawke said. "It may be capable of modification, but as it stands there are elements of the Soviet proposal which pose very real and practical problems for ending the conflict in accordance with United Nations resolutions."

Mr. Hawke said that "no cease-fire proposal can be accepted which did not include quite specific and concrete steps for its implementation." He added: "It is quite clear that the ball is now at the feet of (Iraqi President) Saddam Husayn. "I can only urge that Saddam Husayn immediately fulfill the demands and requirements of the United Nations Security Council resolutions," Mr. Hawke said.

U.S.-led forces acting on the authorisation of the Security Council are battling to force Iraq to end its occupation of Kuwait.

Police Suspect Link to Gulf in Club Bombing

BK2002024291 Hong Kong AFP in English 0159 GMT 20 Feb 91

[Text] Sydney, Feb 20 (AFP)—Police suspect the bombing of a club used by U.S. naval personnel and American businessmen here Wednesday appeared to be Gulf related.

Spokesman Colin Regan said two Molotov cocktails were thrown through the back window of the Australia-America Association premises in the Rocks District near Sydney Harbour around midnight (1400 GMT), causing only minor damage.

A man with a Middle Eastern accent later called a television station to alert them to the bombing, linking it with the Gulf war.

A fire brigade spokesman said an internal sprinkler system in the three-storey building put out the fire soon after it began, but office equipment had been destroyed.

Mr. Regan said the bombing was "the most serious damage so far" in Gulf related incidents since Iraq invaded Kuwait on August 2.

A mosque in a western suburb was slightly damaged by a petrol bomb January 24 and there had been "a number of threats", he said.

Mr. Regan said a television station received a telephone call about one hour after fire alarms went off in the club "from a man who appeared to sound calm and had an apparent Middle Eastern accent."

"He protested that he wasn't happy about the Gulf war and directed their attention to something that was going on in Forbes Street," Mr. Regan said. "The club is in Fort Street, and the man may have been misunderstood."

The club is often used as a venue for entertaining U.S. Navy personnel during visits to Sydney and is a meeting place for American businessmen.

Mr. Regan declined to comment further on what the caller said, but the New South Wales special branch had been advised of the incident and an arson investigation was underway.

Hawke May Visit U.S. To Discuss Farm Subsidies

BK1902063891 Melbourne Overseas Service in English 0500 GMT 19 Feb 91

[Text] The federal opposition leader, Mr. John Hewson, has proposed that he and the prime minister, Mr. Hawke, lead a delegation to the United States to put pressure on the Americans to reduce their farm subsidies.

Mr. Hawke says he will seriously consider the proposal, adding that the American export enhancement program is causing severe difficulties for Australian farmers. But, he says, the planning of any mission to Washington would be crucial.

[Begin Hawke recording] There is an important issue of timing involved in this. [Words indistinct] be considered in detail to ensure that such a mission should have the maximum impact and I am sure, as the leader of the National Party is nodding his acquiescence, he agrees. If we are going to do this it ought to be one which has the maximum impact. In particular, if we are going to have this mission it would (?best be) timed when the export enhancement program was due to be considered by Congress and obviously, may I say Mr. Speaker, when key players in the Congress were available. Let me complete by saying I appreciate the sense in which the proposition has been put forward and will give it serious consideration. [end recording]

Papau New Guinea

Bougainville Administrator Escapes Assassination

BK1702064191 Melbourne Overseas Service in English 0500 GMT 17 Feb 91

[Text] There has been an assassination attempt on the Papua New Guinea [PNG] government-appointed administrator of Bougainville. Radio Australia's Port Moresby correspondent, Sean Dorney, reports that two of Sam Tulo's bodyguards were killed in the assassination attempt which occurred at Mr. Tulo's village on Buka Island.

[Begin Dorney recording] News of the attempt on Mr. Tulo's life has just filtered out of Buka, which is the island off the northern tip of Bougainville, which Papua New Guinea's security forces retook from the Bougainville rebels only 5 months ago. Mr. Tulo, a former member of the PNG Parliament who formed the anti-secessionist Buka Liberation Front, was made administrator of Bougainville after inviting the PNG troops to return to Buka.

According to intelligence reports reaching Port Moresby, a squad of BRA [Bougainville Revolutionary Army] guerrillas attacked Mr. Tulo's (?house) last Thursday [15 February] night. In a shootout, two of Mr. Tulo's Buka Liberation Front bodyguards were killed as were up to six members of the BRA. Mr. Tulo escaped and was found some hours later unharmed hiding in the jungle.

The incident has come as the task force, set up following last month's peace talks in Honiara between the PNG Government and the secessionist leadership of the main island of Bougainville, is preparing to take the first shipload of medical and food supplies into Bougainville since the blockade of the island began nine months ago. I am traveling on the boat—the M.V. (Falkerup)—which leaves Ribaul tonight. [end recording]

AFP—Nine Die in Shootout

BK1902065491 Hong Kong AFP in English 0552 GMT 19 Feb 91

[Text] Port Moresby, Feb 19 (AFP)—Nine men died in a shootout on Buka Island between Bougainville rebels and the pro-government Buka Liberation Front (BLF), Papua New Guinea Defence Minister Benais Sabumei announced Tuesday.

Those killed in the weekend battle on the island off Bougainville were six rebels of the Bougainville Revolutionary Army (BRA) and three BLF members, he said in statement here. Mr. Sabumei denied any Papua New Guinea defence force involvement but said a soldier was wounded in the crossfire. He did not give further details of how the clash occurred.

Unconfirmed reports from Buka, located off the tip of Bougainville Island, suggest a BRA group had crossed into Buka on Friday night and tried to assassinate Sam Tulo, the government-appointed administrator on the island. The group met strong resistance from the BLF, the reports said. Officials here said Mr. Tulo has since fled into the jungle.

Deputy Prime Minister Ted Diro and Provincial Affairs Minister Father John Momis both said they had received similar accounts of how the nine were killed but still had to verify the reports. Fr. Momis said in an interview the flareup did not jeopardise last month's Honiara declaration of peace, which officials hope has ended a two year secessionist war on Bougainville waged by the BRA.

In other developments the MV Sankamap, which is carrying supplies to Bougainville, is expected to arrive in Kieta on Bougainville later Tuesday. On board the vessel is a large quantity of medical, food and fuel supplies, the first to reach Bougainville following the lifting of the blockade imposed when the BRA declared independence last May. A crew of 15, six journalists, four officials and a provincial politician are also on board.

On Monday Foreign Minister Michael Somare said in a statement released here Australia's Special Broadcasting Service (SBS) were banned from Papua New Guinea because of the illegal visit to Bougainville by a three-man crew last week. AUSTRALIAN ASSOCIATED PRESS journalist Alfred Sasako was also banned from Papua New Guinea for illegally entering Bougainville last month.

Bougainville Peace Talks Conegotiator Resigns

BK2002085091 Melbourne Overseas Service in English 0500 GMT 20 Feb 91

[Text] Papua New Guinea's justice minister, Mr. Bernard Narakobi, has stepped down as conegotiator in the Bougainville peace talks. A spokesman for Mr. Narakobi's office said the resignation was officially tendered to the prime minister last week.

Mr. Narakobi is reported to have stepped down in frustration at the government's inability to implement the Endeavor Accord and the recently signed Honiara Declaration. The spokesman said Mr. Narakobi will return to the position if the agreements are implemented. He has called on the Bougainville revolutionary leaders, Mr. Francis Ona and Mr. Sam Kauona to be involved in the next round of peace talks.

Australian TV Crew's Visit Protested

BK1702070091 Melbourne Overseas Service in English 0500 GMT 17 Feb 91

[Text] Papua New Guinea has protested to Australia about a visit to Bougainville by a crew from (SBS) television. The prime minister, Mr. Namaliu, has accused the (SBS) team of illegally entering Bougainville by way of the Solomon Islands.

He has lodged an official complaint with the Australian High Commission in Port Moresby. A spokesman for (SBS), Mr. David White, says the crew went to Bougainville with the approval of the interim government there.

It is the story about reports of many people dying because of the Papua New Guinea Government's blockade that seems to justify the method of entry.